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NEWS SUMMARY

GENERAL

Chinese 'arrest 30 radicals'

Chairman Mao Tse-tung's nephew, Mao Yuan-hsin, is among more than 30 people said to have been arrested, according to unconfirmed reports from Peking. These indicate that Hua Kuo-feng, the new party chairman, has moved further against the radical group in the leadership.

Reports in Peking said that the radicals had plotted to make Chiang Ching, widow of Chairman Mao, the new chairman of the Communist Party.

Mao Yuan-hsin has been leader of a party cadre in Liaoning Province, which in recent years has seemed more radical than anywhere in China except Shanghai. Top members of the Shanghai Revolutionary Committee are said to have been arrested, as well as the Minister of Culture Back Page

Irish court jails Sinn Fein leader

Mr. David O'Connell, the vice-president of Provisional Sinn Fein, was jailed for 18 months by Dublin's Special Criminal Court after being found guilty of IRA membership. He was acquitted of assaulting and obstructing a detective at an IRA man's funeral.

The Army has admitted that soldiers were involved in an incident in which part of the Gaelic Athletic Association's club in West Belfast was burned on Tuesday. The Royal Ulster Constabulary said a number of soldiers were helping its inquiries. Emergency powers ruling. Page 5

Dock Bill defeats

The Government suffered two defeats in the Lords on the Dock Work Regulation Bill. Its proposal to give registered dock workers a virtual monopoly of cargo handling within a five-mile "coastal corridor" was thrown out by 72—34 when the Opposition carried a move to restrict dock labour scheme areas to a half-mile radius from harbours. Parliament, Page 12

50 feared dead

A U.S. transport jet with over 50 people aboard crashed in flames in Santa Cruz, Bolivia, ripping the roof off a school before coming to a stop near a football field. There were no reports of survivors.

Thailand curfew

Thailand reimposed a curfew after Mr. Thanin Kraivichien, the new Prime Minister, said that the nation would not have an elected assembly incorporating majority rule for at least 12 years. It is clear, after last week's coup, that the military intends to remain the dominating force in political life. Page 6

Another tremor

A strong earth tremor shook the quake-devastated Friuli region of Northern Italy yesterday. Most of Venice was flooded when the sea level rose more than three feet above the average high-tide level.

Apology given

Mr. Jim Slater, general secretary of the National Union of Seamen, received an apology in the High Court from a Communist on his union's executive who, he claimed, had accused him of ballot-rigging. Page 17

Briefly . . .

Home Office called for a report after a National Front poster was found on the notice board at Gatwick Airport's immigration detention centre.

Social worker who claimed he stabbed his wife with a kitchen knife while dreaming of fighting off soccer hooligans was cleared at St. Albans of maliciously wounding her.

England beat Finland 2-1 at Wembley in a disappointing performance. Trevor Bailey, Page 2

BUSINESS

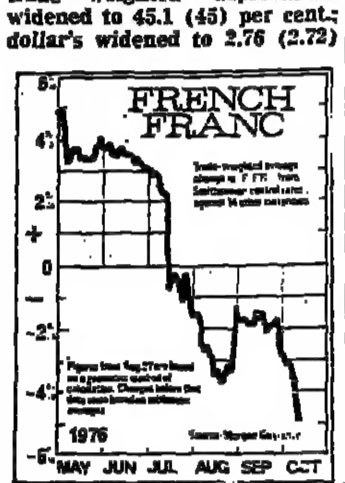
Wall St. up 15.95; equities slip 1.7

● WALL STREET rose 15.95 to 948.30 as the market was boosted by bargain hunting and settlement of the Ford strike. Eleven of the 13 other international stock market indices quoted by the Financial Times reached new lows for 1976. Page 28; Wall Street Blues, Page 27; Gloom on the Paris Bourse, Page 5.

● EQUITIES faced nervous trading conditions with worries over trade figures due to-day and miners' retirement demands. FT 30-share Index fluctuated, closing above the day's worst at 291.9, off 1.7.

● GILTS lost early gains. Government Securities Index slipped 0.05 to 56.77.

● STERLING rose 15 points to $1.6545 in quiet trading. Its trade-weighted depreciation widened to 45.1 (45) per cent.; dollar's widened to 2.76 (2.72) per cent. The French franc and Italian lira lost ground because of worries over opposition to austerity measures planned in both countries. The franc closed at 5.0170 (4.9925) to the dollar.



● GOLD rose 25c to $114.875.

● A WARNING that substantial food price increases are unavoidable next year came yesterday in the Consumers' Association magazine Which? Back Page and Page 35.

● CBI AND TUC produced their memorandum to the Government asking for additional action to curb imports. Mr. Len Murray, TUC general secretary, said he would have liked the paper to have gone much further and urged import deposits and quotas. Back Page and Page 8

Pay rise move criticised

● EMPLOYERS condemned the Government's decision to introduce from January 1 a measure which allows workers to claim pay rises if they are getting less than the going rate for their industry in their area. Back Page

● MINERS' leaders meet this morning to consider the National Coal Board's reply to demands for retirement age to be cut by ten years to 55 by 1980. Page 17

● CLOSED shop proposals for 45,000 U.K. staff of British Airways are being strongly opposed by white-collar workers in the corporation's London offices. Page 17

● McDONNELL DOUGLAS is ready to collaborate with the U.K. and other European aerospace industries on the next generation of civil aircraft. Page 10

COMPANIES

● EMPIRE STORES (BRADFORD) pre-tax profit rose to £1.85m. (£1.76m.) for the 28-week half-year to August 14. Page 24

● COMPAIR is offering £6.47m. for Desoutter Brothers, whose Board is opposing the bid. Page 25

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Bell (A.)	122	+ 5
Desoutter Bros.	125	+ 32
Fogarty (E.)	57	+ 4
Healys	62	+ 4
HK and Shanghai Bk.	319	+ 17
Jardine Matheson	288	+ 24
Spirax Sarco	120	+ 6
Teacher (Distillers)	368	+ 128
Thomson Org.	264	+ 7
Tollemache Cobbold	123	+ 16
Warnford Inv.	135	+ 10
BP	603	+ 23
Royal Dutch	£28	+ [illegible]
Shell Transport	366	+ 8
Hampton Areas	92	+ 6
Messina	170	+ 10
Selcast	78	+ 5

FALLS

Electric 4½pc '74-79	£83¼	− ¼
Allied Breweries	48½	− 4
Brit. Ind. Hldgs.	35	− 1½
Electrocomponents	80	− 4
Empire Stores	58	− 4
Estate Duties Inv. Tst.	169	− 6
GKN	236	− 4
Cons. Murchison	360	− 40
Harmony	200	− 25
Peko-Wallsend	480	− 20
Randfontein Estates	£18	− [illegible]
South African Land	46	− [illegible]
Thiess Hldgs.	200	− 15
Unisel	90	− 8

Left-wingers warn Callaghan over economic strategy

BY RICHARD EVANS, LOBBY EDITOR

The Prime Minister and the Chancellor were warned by Left-wing MPs yesterday that unless there was a fundamental shift in economic strategy the *Government would lose its support* and be forced into an early general election or a coalition government.

The threat, issued at a special meeting of the Parliamentary Labour Party, was not being taken too seriously by Ministers last night. But it illustrated dramatically the gulf between the Government and growing numbers of its back-benchers.

Mr. Callaghan was clearly infuriated by the attitude of leading Left-wingers, particularly Mr. Norman Atkinson, the new Labour Party treasurer. He angrily rejected his suggestion that present economic policies would drive the Government into the arms of the Tories in a coalition

The two clashed sharply as Mr. Callaghan retorted: "What makes you think I want a coalition?" Mr. Atkinson replied: "I *am not* saying you want it. I am saying you will be forced into it."

Mr. Atkinson, a figure of much greater political weight now he has become treasurer, told the Prime Minister: "We will give support if there is a fundamental shift in policy. We cannot guarantee to sustain the Government at any cost. Co-operation is a two-way affair."

One MP at the private meeting claimed that Mr. Callaghan went on to make a muttered threat about calling an election to-morrow if full party co-operation was not forthcoming, but this was not confirmed. Mr. Callaghan added *that in no circumstances* would there be a coalition with the Tories.

The special meeting, called at the request of Mr. Callaghan to *dispel party anxieties*, showed the disquiet and uncertainty in all sections of the party at the Government's handling of the economy.

Sustained demands came from the Left for the alternative siege economy based on fierce import controls. Right-wing MPs called for once-for-all action in a tough economic package based on increased taxation, particularly Value Added Tax.

Mr. Healey, summing up the *confused* and *restive* debate, demanded solid and vocal support from all Labour MPs. "We must have maximum unity in this difficult period."

It was clear that no single message was coming from the party. *In his view, the Government's* strategy remained correct. But he was prepared to consider any changes that would be helpful.

Priority

He again made it clear that *this did not include the alternative* strategy advocated by the Left, particularly imposition of import controls. He was convinced that retaliation in such circumstances "would become a reality."

Mr. Healey warned the Left to be careful in their speeches because there was a fear abroad that Britain might impose import controls. The *Government did not contemplate such* a course, but talk about it was doing continuing damage.

Instead, the Government must give top priority to manufacturing industry. "There is no answer to our problems that does not depend on the rapid and efficient improvement of manufacturing industry."

The Government would have to maintain close working relations with the *Trades Union* Congress. The social contract continued to be of fundamental importance.

The Chancellor assured MPs that provided the 15 per cent. Minimum Lending Rate worked, *there was no reason why it* should not be reduced "very soon."

The unprecedented increase had been necessary because of the refusal of institutions to buy gilts at existing interest rates. *This had caused the money supply* to rise unacceptably fast.

To MPs who urged the use of the regulator to increase VAT, Mr. Healey stressed that this would be deflationary and, if used harshly, could result in unemployment.

The Government would have to consider *in the light of events* whether cuts in the public sector borrowing requirement were necessary, although he hoped this would not be the case.

Teachers react angrily to reports of reform

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

TEACHERS' UNIONS reacted angrily yesterday to reports of the Prime Minister's plans to make a detailed and critical speech about education during a *ceremony* at Ruskin College, Oxford, on Monday.

Fears that Mr. Callaghan is to propose rigid central control over the content and methods of teaching and examining had the rare effect of uniting the small Professional Association of Teachers — whose members are pledged never to strike — with the large, more militant National Union of Teachers and the combined National Association of Schoolmasters and Union of Women Teachers.

Central control would make teachers "mere agents for producing politically desirable people," said Mr. Ian Lambert, chairman of the PAT.

It would make Britain "into a *stereotyped nation of robots*," said Mr. Bernard Wakefield, deputy general secretary of the combined union.

Meanwhile the Department of Education and Science *and other* Whitehall sources were saying that the unions' protests were ill-founded.

Spokesmen said that the Prime *Minister had definitely no intention* of suggesting rigid central *control*. His aim was only to use his speech as the starting point for a high-level public debate on educational probelms which have long worried parents and *employers and have been exacerbated* by the country's economic difficulties.

The focus of the unions' fears is a document produced by the Department of Education and Science, which Mr. Callaghan has used as the basis for his coming speech.

Problems

It urges greater Government influence over various aspects, including the school curricula and teaching and examination practices which the *unions say are* matters for exclusively professional concern.

The Department was asked to produce the memorandum after a *meeting between* Mr. Callaghan and Mr. Fred Mulley before he was replaced as Secretary for Education and Science by Mrs. Shirley Williams.

The meeting was one of a series which Mr. Callaghan has arranged with Departmental Ministers, to identify problems in which his intervention could help to remedy.

Mr. Callaghan, who is especially concerned about the lack of interest among the more scholastically successful youngsters in studies related to careers in industry, ended the meeting with a *request for a Deparment* report on four issues:

1—The teaching of the basic skills of reading, writing and arithmetic, which the Prime Minister is understood to view as of vital and fundamental importance.

2—The curricula taught to older children and their part in preparing them for later working and social life. At present there are no stipulations as to curricula, with the exception of a *certain amount of* loosely defined religious instructions.

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Allied Breweries bids £18m. for Scotch whisky group

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

ALLIED BREWERIES, Europe's biggest drinks business, yesterday emerged as the bidder for Teacher (Distillers), the company whose Highland Cream Scotch is the best-selling in the U.K.

Allied's share-exchange offer is worth £18m. and values each Teacher Ordinary at 388p with an alternative of 364p in cash. This is 180p higher than the market value early on Tuesday before the sudden sharp rise in the shares.

Jobbers protested strongly that there must have been a leak of information and the Stock Exchange Council reacted yesterday by authorising an inquiry into dealings in Teacher shares just before the company asked for them to be suspended.

Teacher's had jumped 38p on Tuesday *before the suspension*. Mr. Adam Bergius, group chairman, said last night he had no idea where the buying had originated.

Allied's offer is *assured of* success as some of the Teacher directors have undertaken to ensure that holders of at least 50 per cent. of the issued Ordinary shares accept.

But the offer is conditional on the merger being given the go-ahead by the Office of Fair Trading. Perhaps *reflecting some* doubts on this score, Teachers ended yesterday at 368p—well below the value of the offer, but 128p up on the day.

Mr. Bergius said last night that Teacher decided to join Allied because of the growing problems of funding growth.

It had been decided that, instead of having the Teacher *family influence gradually* whittled away, the company should seek a strong partner.

For Allied, a successful bid would give it for the first time an integrated Scotch whisky business.

Allied—*which in addition to* 8,000 pubs trading under the Ind Coope, Tetley and Ansells names produces Skol lager and Double Diamond beer—says its pre-tax profits *for the year to* September 25 are estimated to be not less than the £80.2m. for the previous 12 months.

Allied shares ended 4p down at 48½p last night. Teachers, which was advised by Hill *Samuel*, will make a profits forecast for the year to January 31, 1977 in the formal offer.

There is also an offer of 65p cash for each of the 1m. 5 per cent. *Teacher cumulative* preference shares.

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For latest Share Index 'phone 01-246 8026

Williams to run against Foot

BY PHILIP RAWSTORNE

MRS. SHIRLEY WILLIAMS, acceding to pressures from *Labour's Centre-Right* MPs, decided yesterday to run against Mr. Michael Foot for the Deputy Leadership of the party.

Victory *would establish* her position as principal standard bearer of the Gaitskell-Jenkins wing of the party and leading moderate contender for the succession to Mr. *James* Callaghan.

Manifesto group MPs hailed her entry into the lists yesterday as an overdue challenge to the militancy and growing dominance of the party's Left wing.

Success for Mrs. Williams, apart from reasserting the Parliamentary party's moderate influence, would also give *another* seat to the Centre-Right on the Labour National Executive Committee.

Her present seat would go to Dr. Shirley Summerskill, Under-Secretary at the *Home* Office, who headed the list of unsuccessful candidates in the Women's Section of the NEC elections.

Crosland role

No other candidates had signalled their intention to join the fight as the Liaison Committee met last night to decide election arrangements.

Mr. Anthony Crosland, the Foreign Secretary, an unsuccessful contender in the past for both Deputy Leadership and Leadership, was believed to be considering whether to allow his name to go forward.

Ballot papers are expected to be distributed next week. The result, if only one ballot is needed, would be announced the following week.

Though the issue is likely to develop into a Left-Right struggle, both Mr. Foot and Mrs. *Williams sought* to keep the party temperature down last night by declining further comment.

Mr. Callaghan had made it clear that he would have preferred to avoid the threat of *renewed party disruption* raised by the election.

Mr. Foot was beaten by Mr. Edward Short in the last contest for the post after the resignation of Mr. Roy Jenkins in 1972 by 145 votes to 116, but has since strengthened his position.

£ in New York

—	Oct. 13	Previous
Spot	$1.6530-6560	$1.6525-6535
1 month	1.85-1.80 dis	1.92-1.87 dis
3 months	5.34-5.30 dis	5.28-5.20 dis
12 months	15.85-15.75 dis	15.90-15.80 dis

Government unsure how to act

BY SAMUEL BRITTAN AND ADRIAN HAMILTON

THE GOVERNMENT is anxiously awaiting the National Income Forecasts, which have been brought forward to the last week of this month, before making final decisions on this autumn's economy strategy. The forecasts are expected to form the basis of the discussions with *the IMF* immediately after.

A number of contingency measures, including import deposits and/or use of the indirect tax regulator, are being *kept ready, however*, should a sudden crisis in sterling develop before then.

At this stage, the Cabinet remains in a state of uncertainty *as to what, if any, measures it* should introduce to cope with the deteriorating economic position.

But it is clear that the National *Income Forecasts* now being prepared and covering next year's position are likely to face it with some extremely unpleasant choices and intensify the existing arguments between those who want increased indirect taxes, those who want further cuts in expenditure, the few who want a package of overseas borrowing and tax cuts, and those—still the minority — who want a drastic *move to import controls*.

While the forecasts exercise has yet to be completed, there is little doubt within the Treasury that it will force a pessimistic revision of previous estimates on growth, employment and inflation.

Downwards

In spite of previous expressions of hope by the Chancellor, there seems little chance of much improvement in *unemployment* next year. The target of reducing the figure to 700,000 by 1979/80 is now regarded as unrealistic by some economic Ministers.

Growth forecasts for the economy will equally have to be *revised downwards from previous* estimates of 4.5 per cent. for 1976-77, while inflation rates are likely, according to some, to be little better than 15 per cent. over the next year.

The Treasury's hope remains *that a revival in world demand*, coupled with home demand running at a lower level than expected, will lead to an improvement in the balance of payments. This in turn, it is argued, might make the negotiations on the *letter of intent from the IMF* that much easier.

A selective increase in indirect taxes, such as on drink, tobacco and petrol, could be presented *as simply adjusting tax rates for* inflation, although it would arouse opposition because of its effect on retail prices.

The question of public expenditure controls remains in the forefront of Treasury thinking at the moment, at least in so far as keeping within the targets, and possibly going beyond these with further cuts.

Ministers remain confident that they can stick rigidly to their targets set in July, but this may well cause some hard *arguments with the major spending* departments.

Over and above this, consideration is being given to further cuts on a contingency basis. These *could* be carried out by administrative means in the areas of council housing and road building, food subsidies and some across-the-board trimming.

There is also some support for re-examining rent and social *security policy. But major action* here would require legislation which would be unlikely to receive Labour Party support.

Although some form of Phase Three wage restraint remains Cabinet policy, Ministers' attention at present is being concentrated on making the Phase Two conditions stick in spite of the pressures of unexpectedly rising prices.

Government near end of tether, Page 21

IMF loan may need boost

By Peter Riddell, Economics Correspondent

THE GOVERNMENT *hopes* to use a continuing and possibly growing programme of nationalised industry borrowing in the Eurodollar market as the main supplement to the proposed $3.9bn. IMF standby loan.

Strong differences of opinion have developed inside the EEC or government-to-government loan. Such suggestions were being played down at a high *level in Whitehall, where it* was stressed that the priority at present is the negotiation of an IMF standby.

But there is also known to be a strongly-held view within Government that there needs to be a more fundamental scheme to deal with the sterling balances. Meanwhile any opportunity to arrange bilateral support for the pound with Germany or the EEC should be welcome. The Prime Minister is said to

Continued on Back Page

LOMBARD

The begging bowl psychosis

BY ANTHONY HARRIS

AT LEAST one senior minister gets very angry whenever he reads a newspaper headline describing a British request for foreign currency finance in terms of the begging bowl. All that is involved, he explains, is a refinancing of existing obligations. This rather begs the question of how the obligations were incurred in the first place, as will be seen; borrowing to live above your income is not just "refinancing." But what really puzzles me is this: if ministers are so touchy, why do they do it? Why don't they print their own dollars?

Absurd

If the notion seems absurd, consider for a moment what has actually happened. In the fifteen months up to the end of June, the official sterling balances fell by rather over £1.8bn. It is estimated that they have fallen by at least £500m. since then; and it happens that we are applying to the International Monetary Fund for a stand-by credit which is exactly the same as this total —£2.3bn.

Meanwhile, everyone is discussing suggestions for further loans—from Germany and the U.S., from the EEC, from the Eurodollar market or even perhaps from the supertranche theoretically available from the IMF itself to fund the remaining £2½-£3bn. of official reserves held in sterling.

Now if the issue is simply one of funding the sterling balances —and we will come back to that—this borrowing is a rather roundabout way of getting to a simple objective. The issue is essentially a private one between ourselves and those who hold the balances. If they are not happy to go on holding sterling securities—and who shall blame them? —we can offer some other kind in dollars, SDRs or what you will.

The Basle guarantees, which were in their last stages a unilateral offer by the U.K. which was not negotiated with anyone, offered a dollar value guarantee for sterling holdings. We could equally offer dollar-denominated bonds purchased for sterling, SDR bonds, indexed bonds, or for that matter shares in the British National Oil Corporation.

Instead of this we get out the begging bowl. We go to our friends, to the international institutions or to the Euromarket and sell dollar bonds for dollars, and use the dollars to buy out reluctant sterling holders. We wind up, as before, with a dollar debt instead of a sterling debt, but the obligations are taken over by a third party, requiring negotiations, interventions, and much agony and drama.

Apart from silly objections based on national pride, and equally silly ones about lack of precedent (the Americans have issued gold bonds, named after Mr. Robert Roosa, and indeed U.S. Treasury bills denominated in D-marks when holders were fed up with dollars); there seem to be two arguments against the direct course. One, recently put forward by the Bank of England, is that much of the run-down in sterling balances has been because other sterling area countries have been in balance of payments difficulties at the same time as ourselves. The other is that it is in some sense "too easy."

There is clearly some force in the first argument, but not very much. Some figures just published by Morgan Grenfell show that there has indeed been a big fall in the balances held by non-oil producing sterling area countries—just under £1.6bn. since the end of 1973. But more than £1.3bn. of this fall occurred before March 1975, when total sterling balances reached a record level of £4.86bn. Up to that time, OPEC countries were happily financing the rest of the sterling area by running up their own holdings.

No pressure

The subsequent heavy selling *of sterling by* OPEC members has had nothing to do with balance of payments pressures. They have sold sterling while their reserves went up; the proportion held in sterling has fallen from just under 18 per cent. in 1974 to 7.2 per cent. in June and probably not much over 5 per cent. now. A negotiation with them could have worked—and still could for what is left.

But would this answer be in some sense too easy? Looking over the whole period since the beginning of 1974 the total expenditure of reserves, £5.7bn. up to the end of June, almost exactly matched the total current deficit. The inflow of OPEC investment simply offered a transitory chance to finance our deficit relatively painlessly; and it is not only in officialdom that easy finance for deficits is regarded as an encouragement to profligacy. There is some force in this, especially if Ministers believe that borrowing to finance a current deficit is "refinancing." But what is happening now is more than a moral lesson: it is sadism.

RACING | BY DOMINIC WIGAN

Piggott may take cup again

A YEAR AGO Lester Piggott took Newmarket's Jockey Club Cup with Blood Royal. This time I can see the former champion, who has been busy in France during the last four days, winning the race on another progressive American bred stayer, Mr. Jock Whitney's *Bright Finish*.

This Nijinsky colt, who joined Michael Stoute's local stable when Jeremy Tree decided in mid-summer that his Beckhampton gallops were too dry to do several of his horses full justice, has been improving all season. It came as no surprise when he ran home a 12 lengths winner from Precentor at York a week ago.

Although he has a much tougher task here, with May Hill and Shantallah among his opponents, Bright Finish seems likely to be able to maintain his unbeaten record for the campaign.

That top class miler of a few years ago, Derring'o, appears to have a fine chance of siring the winner of the Fordham Handicap, for here he is represented by two live hopes in Anemos and *Cockade*.

Anemos, one of last season's leading juveniles with five successes to his credit, showed that he was returning to that smart form when chasing home Sonnenblick and King Willi at Ayr last month.

With 9 st. 8 lb., Anemos has a formidable task for a three-year-old, but with ground conditions in his favour and these seven furlongs likely to be more to his liking than the furlong shorter trip of his Ayr race, he seems sure to go close.

NEWMARKET

2.00—Sporting Yankee
2.30—Cockade***
3.00—Elland Road
3.35—Bright Finish*
4.05—First Swallow
4.40—Ragotina
5.10—Spartiatus**

Mr. Bob McCreery's bay filly, Cockade, a full sister to the 2,000 gns. and Observer Gold Cup winner, High Top, justified good support at Salisbury recently with a half-length verdict over Musical Prince. That race —her first for three months— will have brought the West Ilsley filly considerably on, and she may prove just too good at the weights for the colt, from whom she receives nearly a stone.

Riding plans are rapidly taking shape for Saturday's S.K.F. Cesarewitch and it seems probable that there will be 15 runners in the line-up. Those with jockeys already booked include John Cherry (Lester Piggott), Grinling Gibbons (Pat Eddery), Rising Falcon (Ron Hutchinson), Belfas (Willie Carson), Belle Britonne (Paul Cook), Empress Regent (Taffy Thomas) and Tug of War (Ernie Johnson).

Belfast heads the market at 5—1 in most lists with John Cherry and they are followed by Empress Regent and Rising Falcon 7—1, Grinling Gibbons 8—1 and Belle Bretonne 10—1.

Another race rapidly taking shape is the Washington DC International for which Elfast is thought to have earned himself an invitation with his game third placed effort behind Windwurf and Hunza Dancer in Sunday's £67,000 Preis von Europa in Cologne.

Elfast—who is likely to take his chance in the Maryland Race in which his fellow countryman, Aniline finished runner-up to Behistoun in 1966 and third Kelso two years earlier—will find another Russian representative, either Gazomet or Zelihman, among his opponents. Others earmarked for the international are the 'Arc' winner, Ivanjica, the third in that event, Youth; Japan's Fujino Pahshia, Norway's Noble Dancer and the New Zealand trained Balmerino.

SALEROOM | BY ANTONY THORNCROFT

Beardsley letters fetch £1,700

TEN LETTERS from the artist Aubrey Beardsley to the bookseller and publisher Frederick H. Evans sold for £1,700 at Christie's yesterday, the highest price in an auction of books, manuscripts and autograph letters which totalled £40,226.

Demand was generally good in this popular sale, but 34 letters and cards from Puccini, expected to go for about £3,000, just failed to find a buyer.

Among other interesting prices, a collection of 102 mounted caricatures and other items of ephemera relating to the French Revolution and the Napoleonic War, dating between 1791 and 1823, sold for £1,050 to Burgess, way above target.

The same price was paid by Wilson for over 200 letters in English, French and Italian addressed to the early 19th-century composer and bass player Domenico Dragonetti. They had been conservatively forecast to make £60-£80.

A fascinating account of a 19-year-old Cockney's experiences as a seaman in South America in the early 19th century, in the form of an unpublished autograph manuscript enlivened by his own water colours, sold to a private buyer for £1,000, rather below forecast. A series of 78 letters and a postcard from the musician Sir Hubert Parry made £850.

Considerable interest was aroused by the letters and postcards sent by Bing Crosby to the writer Charles Graves. They sold, on target, for £240 to Foley.

Three letters and nine telegrams to Graves from Marlene Dietrich sold for £85, while the original typescript of a talk by George Bernard Shaw, which should have been broadcast in June, 1940 but was banned by the Ministry of Information, fetched £115.

Christies' silver sale was routine, totalling £59,250. A Victorian pear-shaped tea and coffee service by W. R. Smiley sold for £1,450, while four George II table candlesticks by John Cafe and William Gould made £1,150.

A Robson Lowe sale of British Empire stamps totalled £28,871. A Newfoundland 60-cent stamp of 1827 sold for £1,600, and a Hong Kong 1891 Jubilee 2-cent for £1,100, against a £150 estimate.

Bonham's first fur sale of the season brought in a record £18,466. Pollar paid £1,300 for a wild mink coat. A blue fox car coat went for £1,150.

The Glendining coin auction realised £53,042, with the highest price of £1,250 from Walsh for an Elizabeth I silver crown of 1601. An auction at King and Chasemore totalled £71,292.

An encouraging wine sale at Sotheby's brought in £45,456. Best price among the clarets was £125 for 12 bottles of Chateau Petrus 1971, while in the burgundies three double magnums of Romanee Conti 1969 went for £250.

In the ports, 12 Quinta do Noval, Nacional 1963 sold for £72.

Sotheby's Old Master sale was routine, with a total of £29,725 and top price of £1,050 for a Flemish wooded landscape from the 17th century.

SOCCER | BY TREVOR BAILE[Y]

England disappointing in 2-1 win over Finland

ENGLAND beat Finland 2-1 in the World Cup qualifying match but there was not a great deal to enthuse over about their football. They started impressively and gradually lost their way against their gallant opponents who improved as the game wore on. When the final whistle blew many of the 92,000 crowd were vocally expressing their disappointment.

There is always something rather unsatisfactory from the players' angle about what are expected to be one-sided matches. The England team on this occasion knew it was not sufficient to win, they needed a victory of at least 6-0 to satisfy their critics, bolster their goal average, and justify the claim to produce the class expected from those countries with a serious interest in the final stages. But it was not to be, and their somewhat hollow victory after their previous win in Helsinki leaves a big question mark about their future in this competition.

Don Revie's team began as if they intended to take Finland apart. They gained three corners in quick succession and from the third Tueart shot home in the fourth minute after a defender had handled the initial header. This perfect beginning suggested there would be plenty of goals, despite the ultra-defensive Finnish tactics, which included a sweeper behind the back four.

There were plenty of near-misses, including a header from Royle and a Brooking drive which was deflected luckily, a couple of fine saves and numerous corners but the second goal simply did not come. This allowed Finland to find their confidence and it was noticeable when they began to move on to the attack they discovered big gaps in the English defence. Twice Nieminen broke clear, and on the second occasion was foiled only by being brought down just outside the area by the goalkeeper.

Confusion

Although Brooking caused plenty of confusion, especially down the left flank, his midfield partner Wilkins did not look very convincing, while the four forwards were inclined to bunch. When half-time came England had to be content with their one goal lead.

Scarcely had the second half began when Nieminen levelled the score after a neat move tearing through an England defence which had creaked ominously before the interval. A marvellous dribble by Heiskanen nearly made it 2-1.

England, scenting danger, forced their way back into the game with a fine individual burst by Channon, whose cross was headed into the net by Royle.

Finland introduced their first of two substitutes who almost stamped his influence on the game immediately with a brilliant shot that Clemence did well to push behind. From the ensuing corner Finland again nearly drew level.

It was most noticeable in the second half that the visitors were prepared to come forwar[d] though this gave the E[nglish] forwards more room [to] manoeuvre, it also worrie[d the] English back four, in which [...] was very unsure and [...] centre-half looked really [...]

The English manager, [...] his dreams of a big E[...] victory fading away, mad[e] substitutions, bringing on [...] for Tueart and, very surpris[ingly] Mills for Brooking. This did nothing to improve m[...] although the little Manc[...] winger did produce a cou[ple of] good centres from the left [...]

England created a few chances, but were unable t[o find] a way past the Finnish [goal]keeper, who had a spl[endid] match.

For this game Eng[land] abnormally, adopted an [...] ing 4—2—4 formation f[...] effort to achieve their obj[ective] to score heavily, but it wa[s] all too frequently tried to [be] a success. The four for[wards] one man too many, or make [...] extra pass.

In the second half mi[dfield] control was lost rather too [...] and defensively the back [four] looked extremely vulner[able]. The ground was very sli[ppery] which made life difficult fo[r] players, but on the eviden[ce] opposition at international [...] this match against second [...] it looks as if Don Revie will [have] to re-think before the real [...] in Rome next month.

It is just as well for Eng[land] that there is only one top [...] side, Italy, in their group, [...] addition to Finland the [...] member is the very [...] Luxembourg.

Isle of Man recommended to end Common Purse pact

BY OUR ISLE OF MAN CORRESPONDENT

A STRONG recommendation that that Common Purse Agreement, by which the Isle of Man Government receives a share of the customs and excise collected by the U.K., should be abolished has been made by PA Management consultants.

The agreement—first implemented in 1894—will produce revenue of over £12m. in 1976-77 or 43 per cent. of the total Treasury revenue of £28.3m. Of the £12m., VAT produces 35 per cent. as do duties on wines, spirits and tobacco, while hydrocarbon oils account for a further 16 per cent.

PA Management was commissioned to review the agreement. In its findings it claims that ending the Common Purse would enable the island to choose what structure of indirect taxation best suited its economy.

It says the financial and banking sector believes that its rate of growth will be "significantly accelerated by the abrogation of the Common Purse Agreement because of demonstration of independence and severing of the U.K. VAT link."

If the agreement were ended the island would be forced to adopt lower rates of indirect taxation and, "this will reduce the cost of living." It would also have to establish its own customs and excise service.

PA Management also recommends the abolition of V[AT,] lower duties on alcoholic d[rinks] and tobacco, and a reductio[n in] the tax on hydrocarbon oils [for] shipping.

The Isle of Man goes to [the] polls on November 18 and 1[...] a general election for the members of the House of K[eys.] The Common Purse is expe[cted] to feature strongly in the [cam]paign.

Many voters regard the a[boli]tion of the agreement as es[sen]tial to the island's future i[nde]pendence, regardless of [...] economic consequences. W[hat]ever happens at the p[olls] though, there are unlikely [to] be any major changes wi[thin] the next three or five years.

FT CONFERENCE IN SYDNEY

Call for Australian policy changes to meet capital needs

BY KENNETH RANDALL

SYDNEY, Oct. 13.

A LEADING European banker warned to-day that Australia would have to reassess some of its longest-standing and basic financial policies if it was to marshal the capital necessary for a rate of development "adequate in our modern world."

Mr. J. Reimnitz, of the board of management of Commerzbank, of Frankfurt, said that direct foreign investment alone would not be sufficient to meet Australia's capital needs. One answer to the problem could be to allow a wider range of institutions—including the state governments and the major city authorities, as well as government-owned enterprises like Qantas—to borrow in the international capital markets.

For more than 50 years, the Australian Federal government has been the only public sector institution allowed to borrow overseas under tight controls exercised by the Australian Loan Council. Mr. Reimnitz's proposal comes at a time of rising demand within Australia for changes in these arrangements. A campaign led by the West Australian Premier, Sir Charles Court.

Sir Charles and Mr. Reimnitz both delivered papers to-day to the conference, "Australia in the World Economy," sponsored by the Financial Times, the Australian Financial Review and Qantas.

The Australian treasurer, Mr. Phillip Lynch, who also addressed the conference, gave no indication of a change in government policy in this direction. Instead, he said that overseas borrowing, exclusively by the Federal government, was at present a key element in Australian economic policy.

Mr. Reimnitz said that apart from a wider range of borrowings, Australia should consider the introduction of the shares of leading Australian companies on international stock exchanges. "Besides controllable capital acquisition through investments by international investors in new shares of Australian companies, the worldwide representation on stock markets would allow a shifting of capital in favour of the Australian economy without having to fear a direct sell-out of your industries to foreign investors," he said.

Mr. Reimnitz said that trading of Australian stocks on the London Stock Exchange had declined in recent years and he was surprised to learn that no Australian stocks were quoted on "the most important stock exchanges of Western Europe."

Mr. Reimnitz said Australia had a need for even more incentives for direct foreign investment; Australian companies needed to become established and recognised entities in the international financial community; and Australia must "sell" its natural advantages as a place for investment.

He urged a return to policies of rapid population growth through immigration to create a larger domestic market and the seizing of "every available opportunity to exploit natural resources, even at a price of more international ownership in Australian industry, as early as possible."

Mr. Lynch said it was one of the government's important objectives that Australia should continue to be an importer of private capital. It needed to be understood, however, that a policy of allowing net capital inflow required that Australia run a current account deficit.

In an oblique reference to continuing speculation about possible devaluation, the Treasurer stressed that Australia had traditionally run a current account deficit and there was nothing inherently "bad" about doing so. "The fact is that the running of such a deficit is a completely normal phenomenon for a country such as Australia that is in the process of economic development," he said. The Government expected that with improved conditions and policies in Australia, private capital inflows should return closer to earlier historical levels.

"Pending a return of private capital flows to more accustomed levels, the Government has resumed a programme of overseas borrowings, partly to restore a more normal level of official borrowing, but also to bridge the period until private capital inflow revives.

"In other words, we are matching a moderate current account deficit with a relatively moderate capital inflow but with a rather larger share of Government borrowing than will be the case later as private capital inflow picks up. Against this background, any suggestion that Australia is in some way over-borrowing makes no sense."

Sir Charles Court said his Government had made a strong case to the Federal Government for permission to borrow directly overseas for resource development and still hoped that the proposal would be approved.

James Forth adds: Japanese business was ready to extend positive co-operation through necessary capital participation in resources projects, Mr. Toshiro Shimanouchi, counsellor of the Federation of Economic Organisations (Keidanren) told the conference. "The Japanese want to be assured in this world of uncertainties that their investments are viable, that they are welcome, and that they will contribute to the benefit of both sides."

He warned that Japan [was] unlikely to see again the k[ind] of dramatic expansion in [...] minerals trade that it enjoy[ed] in the past decade, but Austra[lia] would remain a vitally import[ant] source of supply.

Mr. Shimanouchi said [the] Japanese were anxiously wait[ing] for Australia to arrive at [a] national decision on urani[um] policy. He also said that, w[ith] Japan overcrowded and runn[ing] out of space, it would be m[ore] attractive to manufacture me[...] in Australia, with Japan[ese] manufacturing industries prov[id]ing the major market.

The Australian economy [had] been at a virtual standstill [in] real growth terms for the p[ast] three years, but future prospe[cts] were good and the general le[vel] of business confidence had mov[ed] to a higher level in 1976, s[aid] Mr. Max Dillon, president of [the] Associated Chambers of Ma[nu]facturers of Australia, and ch[air]man of the National Employ[...] Policy Committee.

He said business agreed w[ith] the broad, general thrust of [the] Government's 1976-77 bud[get] policy, but felt its expectati[ons] of growth of private consu[mp]tion were "rather optimistic."

"The Government should, h[ow]ever, attempt a greater deg[ree] of directly encouraging econo[mic] recovery. Its attitude is cautious, while its moves [to] rescue the budget deficit are rapid. Perhaps there has b[een] too much emphasis on the pr[ob]lem of the deficit." Mr. Dil[lon] suggested it was appropriate [to] introduce selective tempor[ary] increases in public spend[ing] through orders to Australi[an] made goods in specific and p[ar]ticularly depressed areas.

Mr. Dillon also came [out] strongly in support of t[he] Government's efforts to resist devaluation of the Austral[ian] dollar. The advantages of su[ch] a move would be only te[m]porary and the cost to t[he] national economy would [be] "unduly high."

Australia's screening [of] foreign investment propos[als] was not intended to discoura[ge] foreign investment, but to he[lp] the Government construct a se[n]sible balance between the ne[ed] for development and the desi[re] of Australians to participate [in] that development.

Other addresses included: M[r.] Arthur Reef, vice-president [of] Amax Inc., on developin[g] Australia's natural resource[s;] the Premier of New Sout[h] Wales, Mr. Neville Wran, o[n] investment and the role of th[e] states; and the deputy chairma[n] and group chief executive [of] Schroder's, Mr. J. D. Wolfensoh[n,] on a business appraisal o[f] Australia's view of incomin[g] investment. The conferenc[e] concludes to-morrow.

TV/Radio

† Indicates programme in black and white.

BBC 1

7.05 a.m. Open University (UHF only). 9.41 For Schools, Colleges. 12.35 p.m. On The Move Special. 12.45 News. 1.00 Pebble Mill. 1.45 Barnaby. 2.00 You and Me. 2.14 For Schools, Colleges. 3.53 Regional News (except London). 3.55 Play School. 4.20 Astronuts. 4.25 Jackanory. 4.40 Blue Peter. 5.05 John Craven's Newsround. 5.15 The Oddball Couple.

5.40 News.
5.55 Nationwide.
6.45 To-morrow's World.
7.10 Top of the Pops.
7.40 Happy Ever After.
8.10 Kojak.
9.00 News.
9.25 The Richard Dimbleby Lecture: Lord Hailsham.
10.15 Gangsters.
11.05 To-night.
11.45 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—5.15-5.40 p.m. Bilidowcar. 5.55-6.45 Wales To-day. 6.45-7.10 Heddiw. 11.45 News and Weather for Wales.

Scotland—9.41-10.01 a.m. For Schools. Around Scotland. 5.55-6.45 p.m. Reporting Scotland. 11.45 News and Weather for Scotland.

Northern Ireland—2.14-2.34 p.m. For Schools: Ulster In Focus. 3.53-3.55 Northern Ireland News. 5.55-6.45 Scene Around Six. 11.45 News and Weather for Northern Ireland.

England—5.55-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

7.05 a.m. Open University.
11.00 Play School.
5.00 a.m. Open University.
7.05 Your Move.
7.29 Weather.
7.30 Newsday.
8.05 Diary of a Village.
8.35 The Book Programme.
9.00 The Hollywood Musical: "Sweet Charity," starring Shirley MacLaine.
11.20 Late News on 2.
11.30 Music at Night: Anthony Goldstone (piano) plays Schubert.

LONDON

9.30 a.m. For Schools. 10.40 Manfred. 11.00 For Schools. 12.00 Animal Kwackers. 12.10 p.m. Pipkins. 12.30 A Ripe Old Age. 1.00 News plus weather, FT index. 1.20 Lunchtime To-day. 1.30 Crown Court. 2.00 Good Afternoon. 2.25 Racing from Newmarket. 3.50 Emmerdale Farm. 4.20 Children's Film Matinee: "Laurel and Hardy in Toyland."

5.45 News.
6.00 To-day.
6.35 Crossroads.
7.00 The Six Million Dollar Man.
8.00 The Crezz.
9.00 This Week.
9.30 NUTS.
10.00 News.
10.30 Shaft.
11.55 What The Papers Say.
12.10 a.m. London Scene.
12.20 Close: Vivienne Ross reads a poem by Gerard Manley Hopkins.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 Women Only. 4.20 The Romper Room. 4.45 Anita in Jumbleland. 5.15 David Niven's World. 6.00 About Anglia. 6.20 Arena. 10.30 George Hamilton IV. 11.00 Tandarra. 12.00 A Big Country. 12.30 a.m. The Living Word.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 4.20 The Lone Ranger. 4.45 The Time Tunnel. 6.00 ATV To-day. 7.00 Survival Special. 10.30 Gardening To-day. 11.00 The Prisoner. 12.00 Colin Marchant.

BORDER

†1.20 p.m. Border News. 2.00 Women Only. 4.20 Tarzan. 5.15 David Niven's World. 6.00 Border News and Lookaround. 7.00 Movin' On. 10.30 Gardening To-day. 11.00 Police Story. †12.00 Border News Summary.

CHANNEL

†1.20 p.m. Channel Lunchtime News and What's On Where. 4.20 The Adventurers of Pinocchio, No. 2. 4.50 Lost In Space. †6.00 Channel News and Weather. †6.10 Woobinda. 7.00 The Magician. 10.30 The Playwright: Peter Terson. 11.00 Dan August. †11.55 News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 2.00 Women Only. 4.20 Wildlife Cinema. [illegible]

GRANADA

[illegible]

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 4.20 The Woody Woodpecker Show. 4.45 Return To The Planet Of The Apes. †5.15 Chucklehounds. 5.20 Crossroads. 6.00 [illegible]

SCOTTISH

[illegible]

SOUTHERN

[illegible]

TYNE TEES

[illegible]

ULSTER

[illegible]

WESTWARD

[illegible]

YORKSHIRE

[illegible]

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 [illegible] Paul Burnett [illegible] 2.02 David [illegible] 4.30 Kid [illegible] 6.02 John Dunn [illegible] John Peel (S) [illegible] a.m. As Radio 2. [illegible]

RADIO 2 1,500m and VHF

6.00 a.m. News [illegible] [illegible]

RADIO 3 464m, Stereo & VHF

‡ Medium Wave only

‡6.55 a.m. Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. [illegible]

RADIO 4 434m, 330m, 285m and VHF

[illegible]

BBC Radio London 206m and 94.9 VHF

[illegible]

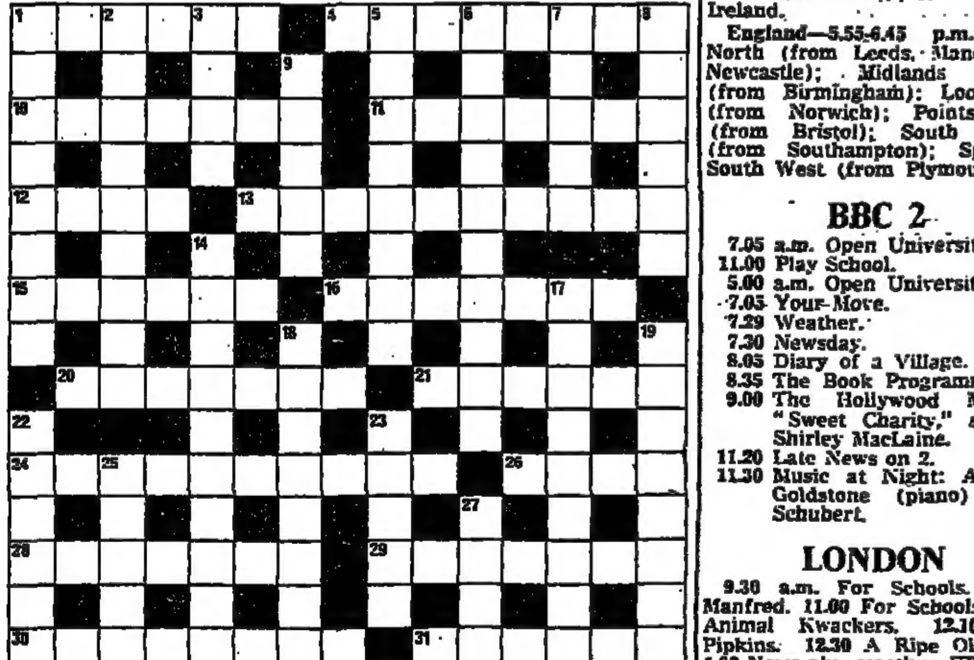
London Broadcasting 261m and 97.3 VHF

[illegible]

Capital Radio 194m and 95.8 VHF

[illegible]

F.T. CROSSWORD PUZZLE No. 3,208



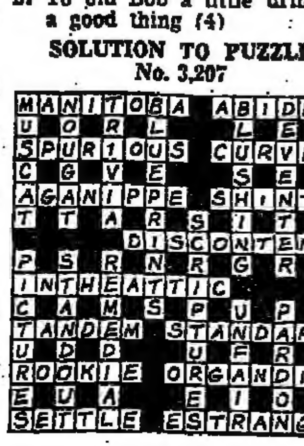
ACROSS

1 Commemorative stone leased with a flap (6)
4 Part of a unit can be vulgar (8)
10 The church in an American state can be a political organisation (7)
11 Famous city of China (7)
12 Jurisprudence needs direction in court (4)
13 Ted manages somehow to score at Wimbledon (4, 3, 3)
15 Sailor has money in paper (6)
16 A couple of learners in rows of cultivators (7)
20 What fishermen catch needs something from a doctor (7)
21 Tracks down gossip in the ship (6)
24 Celebration meal for phrenologists? (4, 6)
26 Nonsense—it's not quite an indiscretion (4)
28 Birthplace of Napoleon (7)
29 To preserve what is forbidding —is this sincerity? (7)
30 "There is nothing more democratic than a bullet or a —— of steel" (Willkie) (8)
31 Peg activity in a sandy point (6)

DOWN

1 Acrobatic pigeons (8)
2 Reverse—it will keep you away from current problems (9)
3 Draw up about ten and find the way out (4)
5 Led Verdi astray—always ready for a drop (3, 5)
6 Mrs. Mopp works overtime for a fresh start (5, 5)
7 The flower of industry (5)
8 Quite an age—naughty in numbers (6)
9 Started for example in prohibition (5)
14 Open to dispute, but one gets on after investigation (2, 8)
17 Arrive casually like London's river (4, 5)
18 To avoid disturbance we may be bound to keep this (3, 5)
19 Request signifying merited retribution (3, 3, 2)
22 A taxi is coming up for us —you can count on it (6)
23 Part of the river useful to a boxer (5)
25 "Things ——, or things evangelical, things sacred or things profane" (Bunyan) (5)
27 To old Bob a little drink is a good thing (4)

SOLUTION TO PUZZLE No. 3,207



Aldwych

Old World by B. A. YOUNG

Aleksei Arbuzov surely isn't the only contemporary Russian playwright for export. Since Frank Hauser gave us *The Twelfth Hour*, a fascinating play about the social impact of Lenin's New Economic Policy, at Oxford a dozen years ago, we have had five more of his plays, all translated by Ariadne Nicolaeff, and virtually nothing from anyone else. Yet all these five are cast in a popular romantic mould, and with the exception of *It Happened in Irkutsk*, done in Sheffield, they tell us little about current Russian life except that marriage and divorce are treated even more lightly among the Russians than among ourselves.

Old World is Arbuzov's latest play, and is now playing in 50 theatres in the Soviet Union. No doubt it will soon be playing all over Great Britain as well, for it is a two-hander, requiring little in the way of scenery, and sentimental to a degree that would seem overdone in *Crossroads* or *Coronation Street*.

Its plot is extremely simple. A happy and pleasing lady of "nearly 60" who is resting in a sanatorium in Riga decides to make a play for the director of the establishment (nearly 65). In a succession of nine scenes we see the gap between them being cunningly bridged. Lidya Vasilyevna begins by giving silly answers when she fills in her joining form, and embarks on a course of conduct in her room (evidently a dormitory) that draws attention to her. She bursts into song at first light in the morning; she steals out into the grounds at night.

Rodion Nicolayevich reacts first with irritation, then with kindness (even when Lidya tries to break his umbrella for no good reason). Encouraged, Lidya brings him goodies when he has to spend a few days in hospital, lures him to a restaurant with a new dress and ends the evening dancing the Charleston with him, drops a remark about two old people who struck her as a "very happy couple," goes to stay with him in the country for a week, and — unusual with Arbuzov — decides to spend the rest of her life with him.

There is little subtlety in either the plot or the characterisation; indeed there are scenes, such as Lidya's accidental discovery of Rodion's late wife's grave, and her final return after a stiff-lipped farewell, that I believed could hardly happen in the theatre of our day, so glutinously sentimental are they.

However, the Royal Shakespeare Company knows what it is doing. It has cast Peggy Ashcroft and Anthony Quayle as the lady and the doctor, and they give such likeable performances that at the end of the first-night evening there was a great shout of approval from the house. Mr. Quayle, grey-bearded, slow-moving, imperious, melts gradually until with the aid of a bottle or so of Crimean champagne-type he remembers the steps of the Charleston and the shimmy that he so condemned when he was in the Young Communist League, and induces his temptress to join him in a *pas de deux*, and *nichero* to the police if they happen to see.

Dame Peggy, though she is clearly a seducer from the word go, also has new tricks to display, and treats us to the song she used to sing when in earlier life she was part of a double act with an eccentric musician. The song goes on too long, and Dame Peggy is a bit breathless; but no one could help enjoying it.

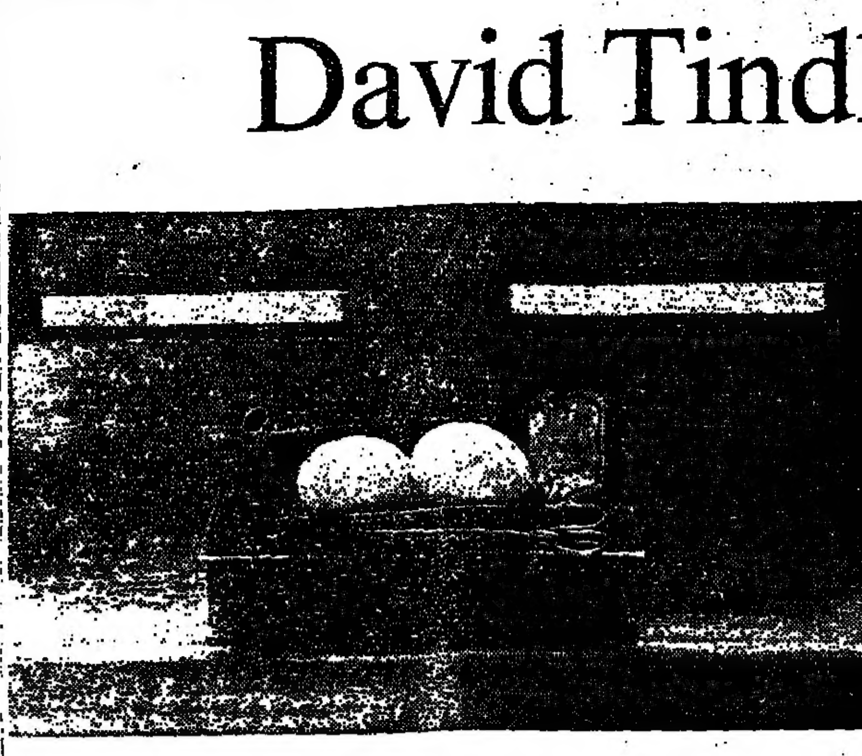
So no doubt the play will pack the Aldwych; but Comrade Zhdanov must be turning in his grave to think that this is being presented to us as Russian culture. It's Russian slop, indeed slop in any language. Its appearance at the Aldwych makes as much sense as if we sent *Murder at the Vicarage* to the Moscow Art Theatre.

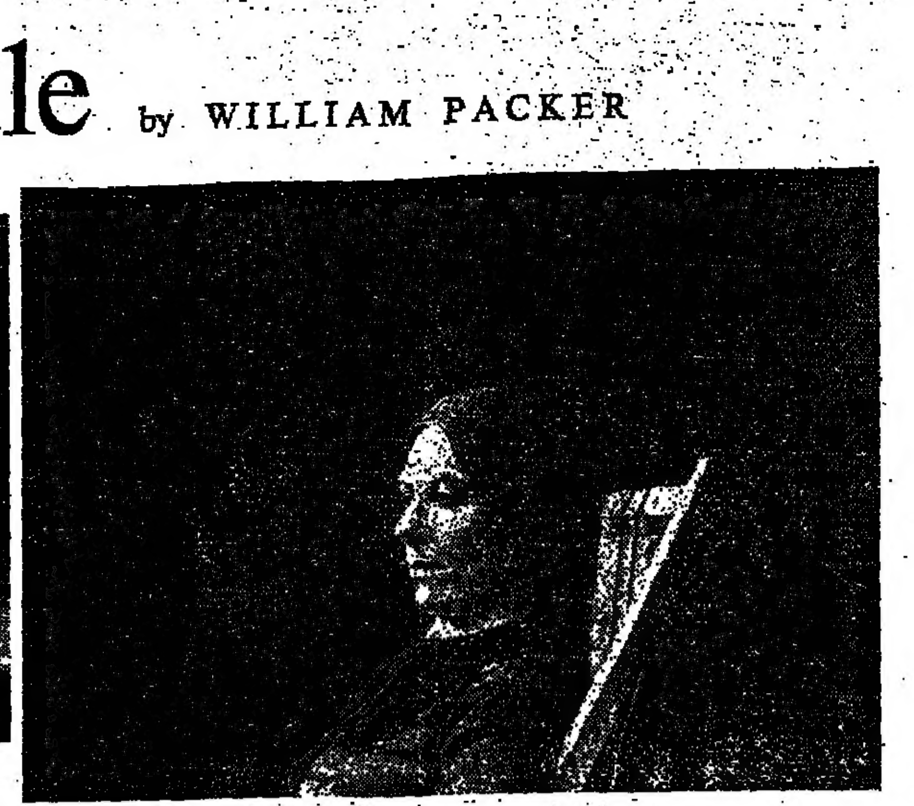
John Timbers

Clive Francis and Susan Hampshire in the Chichester Festival Theatre's production of 'The Circle' which transferred to the Haymarket Theatre last night

Piccadilly Gallery

David Tindle by WILLIAM PACKER





David Tindle: 'Objects on an easel' and 'Woman in a Deck Chair'

The revival in recent years of figurative, which is to say representational painting, is really something of a myth; for to think of it as such is to distinguish as a notable and even dramatic change what is but a certain shift of emphasis. Of course abstraction was pre-eminent for several years, but never so completely as its proponents claimed. Figurative painters may have taken cover for a while, dissimulated, or compromised their work, against the pressures of the critical and avant-garde orthodoxies of the time; but their work was no more moribund than painting itself, in the widest sense, has since proved to be, as the avant-garde moves into ever more rarefied territory. Indeed, with painting of any kind no longer obliged to chase after innovation or originality, the once-warring factions tolerate each other happily, and hang their work side by side in the Academy.

But the crisis seemed real enough at the time, and was felt with particular pain by the generations already mature by the early sixties: there was a real crisis of confidence among those artists who, accustomed to identify themselves with modernism in all its aspects, suddenly found the hard-liners turn against them: if they were not seen to be with them, they must be against them. And their work was no longer seen in the best places.

David Tindle is a painter whose career has brought him through all these vicissitudes, and without apparent ill-effect, for we see him working now, prolific and full of confidence. We must call him a realist painter, concerned in the first place with the exact superficial appearance of things: but labels, like the appearances themselves, may be rather deceptive.

Like the alchemist he in some sense is, the realist painter seeks to achieve what is physically impossible; for no image may replace the reality it depicts. What it may do, however, is stand as its equivalent, in the imagination at least. The magic of the art lies in the difference. All is done by artifice: the science of perspective distorts the visible world quite as much as any other viewing device.

The closer we look into the work of such a painter, therefore, and Tindle provides an excellent contemporary example, the more curious and contradictory it all becomes. The appearances, so positively seen and so meticulously recorded, grow somewhat less substantial, while we become instead so much more aware of other things, of the painting itself as an object, its surface and the substance of the paint, and, though we might not quite see nor understand just how it was contrived, the drawing, the realisation of the image.

The trick has fascinated artists from the beginning, both for itself as a technical coup, and also and perhaps more significantly, for the peculiar power it exerts over the imagination. For, being offered the image of reality, conjured up by nothing more than a few marks on a flat surface, we may identify and concentrate upon the substance of our own actual experience, which, through habit and indifference, we seldom think to do.

Tindle is in no way extraordinary in this: indeed, we need only visit the exhibition of Dutch painting at the National Gallery to see by how much it may be taken for granted: but he is good enough to stand out among his contemporaries. His medium is the ancient one of egg tempera, which gives his work its particular character; for the brush-mark dies on the instant, and there can be no breadth of handling. Everything must be built up painstakingly, stroke by stroke, which gives a drawn quality even to the areas of undifferentiated tone or colour. And so his images appear fixed for ever, considered and precisely defined, classically still.

We are shown an empty chair by the window and the landscape beyond, a few things on a shelf, a coat on a peg, or thrown casually on to a chair, an empty corner of the room. The human presence is implied, but rarely stated, giving the work a slightly sinister poignancy, as of familiar and well-used things suddenly abandoned. When he paints the figure he does so with considerable distinction.

The excellent exhibition of David Tindle's recent work remains at the Piccadilly Gallery, Cork Street, until October 23.

The Entertainment Guide is on Page 30

Record Review

Handel and Stravinsky by MAX LOPPERT

Handel: Tamerlano. Killebrew, Steffan, Bogard, Simon, Young, Rintzler/Chamber Orchestra of Copenhagen/Moriarty. Peerless ORYX 4XLC 2 (4 records) £5.96

Stravinsky: Oedipus rex. Kollo, Troyanos, Krause, Flagello, Evitts, Hoffmeister / Harvard Glee Club, Boston Symphony Orchestra/Bernstein. CBS 76380 £3.49

Stravinsky: Divertimento. Suite italienne. Duo concertant. Perlman (violin), Canino (piano). EMI ASD 3219 £3.50

At regular intervals since the start of record reviews on this page, there has appeared a lament at the failure of the gramophone to represent Handel operas and oratorios (apart from *Messiah*) adequately. In 1972, Andrew Porter prefaced his review of the RCA *Orlando* (no longer available) thus: "The Handel discography grows long; but though complete or nearly complete opera succeeds complete or nearly complete oratorio, there is regrettably little that can be recommended with easy, unqualified praise, for a performance as well as for the music. It is a pity that no one in our record companies has been fired to do for Handel, our greatest national composer, what Culshaw achieved for Wagner. Many of these complete sets have been small-scale affairs, made by enthusiasts without large resources."

This is still, alas, an appropriate preface to the most recent Handel opera issue, *Tamerlano* (new to this country, recorded in 1970). It is at once an astonishing bargain (four full-sided records for under £6), a scholarly and nearly complete representation of the work (all 27 arias, and only four without middle sections and *da capo* repeats; much, if not all the recitative: a booklet which actually indicates where cuts have been made), and a tolerable performance with good things in it. No more than that, though, in an opera of such glorious richness and dramatic power that only the greatest Handel singers, players and conductor will really do. Since most of these are English, and since one is Janet Baker, does the notion of an adequate Handel opera recording really still strike the record companies as senselessly uneconomic?

Meanwhile, gratitude for this release. *Tamerlano*, from the middle of that golden period in the 1720s which also brought forward *Giulio Cesare* and *Rodelinda*, is a drama not only of characters memorably defined by their music, but of sustained dramatic power and conviction in their interaction. A recent report in these columns described its effect in an Italian performance; on record, while inevitably the cumulative grandeur in the construction of scenes and acts is less directly experienced, the splendour of the music takes one's breath away. Obviously, from first playing, the inexhaustible fertility of the melody—though in such an aria as that closing Act 1, "Benchè mi sprezzi" for the lovelorn Greek prince Andronicus, it may take several hearings for the full dramatic fitness to situation and character of those long melodic extensions almost unwillingly

Book Reviews will appear in to-morrow's paper

ended, to become apparent. Less immediately obvious, in any "learning" of an opera from the gramophone, are the musical knife-strokes—harmonic surprises, subtleties of key relationship, infinite variety and pliancy of textures and rhythm—that proclaim the master musical dramatist working at full strength.

For the Peerless recording, a less than peerless cast was assembled. Least distant from that epithet is Alexander Young as Bajazet, the captive Turkish emperor: sometimes dry of tone, lacking the heroic force we might imagine in a Jon Vickers who had continued to enlarge his Handelian repertory, but mastering the long line as finely as ever, and full of simple, resolute eloquence in the death scene. Mr. Young also mouths the Italian, if not idiomatically, then with far surer address than the others. As Andronicus, the full, steady contralto of Sofia Steffan makes a kindly effect: but her attack is often undramatic.

She takes a Handel breeches role with greater polish than Gwendolyn Killebrew (the American mezzo recently admired in the Lucerne Festival *Atlántida*) as Tamerlane—a rich voice apparently incapable of the quick strike, of pitch and focus, that the music demands, one which blurs the divisions and the vowels alike with optimistic heftiness. Her attempts at silky villainy are unhappy. In the bass and second soprano parts, Marius Rintzler and Joanna Simon are spirited, but rough. Least pleasing performance of all is that of Carole Bogard, as the heroine, Asteria. The arias call for breadth of expression, clarity, and a rich variety of tone colours, particularly in the majestic minor-key final lament; in Miss Bogard's thin, pretty soubrette soprano, with its flighty, pouty inflections, emotional weight and conviction are seriously wanting. Under John Moriarty, rhythms plod—not always, but sufficient often in *larghetto* music to miss the needed buoyancy and flow. The elaborate decoration of repeats is often unconvincing, especially as turned by Miss Killebrew. Recommended, of course—at the price it could be far worse—but not without regrets for what might have been.

Although Stravinsky's "opera-oratorio" has been, by contrast with Handel, well treated on record, Leonard Bernstein's version seems to me the best so far. A serious flaw had better be mentioned at the outset: in the interests of some archaelogico-ling-uistic piety, all the Latin v's are pronounced as w's. I can't comment on the rectitude of doing so, but can only say that irritation, first provoked by the chorus' opening "serwa nos," becomes acute in the utterances of the German Oedipus, ("Oidipuss," or "Oweedipus," as he is with innumerable slight variants addressed), who seems to find the alteration a particular hurdle. When sound, playing and singing are of such elegant distinctness, and the conductor's control of line is so graceful, such a blot is particularly unfortunate.

Otherwise, a splendid performance, "wale," "wolo," "trivium" and all. Has *Oedipus rex*, a masterpiece of the century, capable of so many interpretative responses, ever sounded quite so beautiful before? Not beautiful in soft-edged, Karajan-smooth fashion; but beautiful because the lines are turned with as much care as singers and players want to bring to Handel. In Jocasta's aria, with its Handelian classical spaciousness warmed by Verdian fire, Tatiana Troyanos' even, coolly sensuous line ravishes the senses; René Kollo, an Oedipus of firm, fresh, strong tone, only slightly huffy in florid work, is hardly less good; and the supporting soloists, with a single exception in the woofly Tiresias of Ezio Flagello, are worthy of them. Certain of Stravinsky's metronome markings are exaggerated, in either extreme direction, in a manner that ought to spoil the music (and to incur the composer's wrath from his repose on Olympus); yet Bernstein's dramatic flair, his unfailingly imaginative response to the lay-out of the music, soon over-ride objections. There is an excellent, youthful-sounding chorus; and an American Narrator with a touch of newscaster about him, surprisingly successful in a tricky assignment.

An equally desirable Stravinsky issue is the violin-piano compilation. The composer's admiration for Itzhak Perlman is attested by Lillian Libman, and the act of homage by player to composer is supremely touching, as well as a constant delight. Indeed, I haven't been so enthralled and enchanted by the sheer sound of the instrument, its tones, timbres and colours, in years. Stravinsky's invention of a new "language" for the violin—spiky, brushing against the grain, percussive [illegible] suddenly lyrical—was the [illegible]-going to an extent that makes his composition of so little solo music for it all the stranger. Only the *Duo concertant* is an original conception; the other two works on the record are arrangements of arrangements, from *Pulcinella* and *The Fairy's Kiss*. Yet, most clearly in the Divertimento from the last-named, we can appreciate the fusion of revolutionary and traditional technical procedures that won the instrument a new identity, a new existence. Perlman's strong, sure, at times a little too self-effacing piano partner is Bruno Canino.

Festival Hall

Chaikovsky by MAX LOPPERT

Tuesday's instalment of the London Philharmonic Orchestra Chaikovsky cycle coupled to happy purpose a relatively unfamiliar symphony, the Third in D, with the most familiar of all, the Sixth in B minor. So greatly do I admire Mstislav Rostropovich that it is a rather painful task to have to comment on the performances he conducted. With much coarse and heavy playing, often stubbily shaped in fast movements and awkwardly knit in slow, the *Pathetic* was a particular disappointment.

Of the many kinds of Chaikovsky interpretation, the most successful seem to me to be either the gentle, patiently lyrical approach, laying out the melodies and textures with an implicit faith in their intrinsic musical fineness; or, in extreme contrast, the furiously passionate, sculpting large Romantic gestures in urgently electric orchestral tones. Though I love the former, I can be led to admiration for the latter. In the B minor symphony, it was furious passion Rostropovich seemed to favour: but, lacking (on this showing) the consistency in his conducting manner to achieve solid, thorough performances, he allowed passion to degenerate all too often into a heavy, brassy blare. The trumpet playing, for most of the evening, was painfully abrasive.

It was hard to recognise in this bear-hug of an interpretation the "whole work" that, Tovey said, "carries conviction without the slightest sense of effort." The delightful D major symphony, before the interval, went with less sense of the conductor's effortful intervention, if never with that light, filigree magic in the playing that conjures up visions of storybook glitter, the frost-on-the-window-pane romance of instrumental timbres, a swirl of fabulous colour. (I tried, for most of the performance, to forget MacMillan's use of the symphony in the second act of his *Anastasia*—but then stopped trying, when the memories of ballroom shadows and flickering lights were so satisfying.) In the middle movement, a sudden voluptuous, intense "singing" of the D-major episode, with phrases breathed in wonderfully rapt vocal style, was a reminder of the great cellist conducting. Of such reminders the concert could otherwise boast too few.

Square One, Edgware Road

Honey

Bees are useful, they give us honey which tastes nice. The four characters in the first play of an American season at this pub theatre do not seem half so essential to the well-being of mankind. Author Meir Z. Ribalow strews his thoughts on the human condition through this dismal New York apartment thus: Eli, a bee-freak, drones on about his hobby of hives; Mac sits in an armchair collating newspaper cuttings for a scrap-book of human follies; Mac's girlfriend, Cass, stomps about boiling with indignation at the irresponsibility of her colleagues in journalism; meek little Penny bakes cookies and creates ashtrays.

The people are obviously real to the playwright but the inadequacy of performance fails to communicate his concern. Only Jane Hallaren as Cass cuts any sort of definite swath through the *mélange* of casual conversation and blunted aspiration, turning to Penny for a cuddle of comfort as Mac gets stoned in the corner and the job pushes her down.

But even Cass's sincerity is dubious as her attempt to "expose" a liberal Senator pressing for equal rights takes the form of gathering the dirt on his private life. That sort of professional competence we can do without, and so should she. Jack Sholder's soporific production does nothing to brighten the evening. Now for the good news: the American Repertory Company are presenting a piece by David Rabe (whose last play in New York was directed by Mike Nichols) for two weeks from November 8.

MICHAEL COVENEY

Sadler's Wells Theatre

Summertide by CLEMENT CRISP

Elisabeth Dalton's décor is gauzy, poppy-starred, pretty, a Gustav Klimt perspective of dappled summer light. In it Peter Wright sets his cast dancing to Mendelssohn's second piano concerto in taxing, well-made enchainements. *Summertide*, his new piece for the Sadler's Wells Royal Ballet which had its première on Tuesday, is a neo-classic divertissement which is clearly intended to show the youthful merits of Mr. Wright's own section of our national company. And in this it succeeds very well.

David Ashmole is a central figure, joined in the concerto's first movement by four boys—whom he leads in some bright and buoyant entries—and two girls, Lois Strike and Marion Tait. Mr. Ashmole is seen to great advantage; his dancing has a big outline and a powerful thrust, and among his companions Kim Reeder is exceptional in his fast, mercurial dancing, while Ian Owen reveals a clean line and a fresh and engaging personality. Miss Tait and Miss Strike are both delightful, but the best female role in the work falls to Margaret Barbieri who joins Mr. Ashmole for an extended lyric duet set to the concerto's adagio, with two attendant boys as a kind of chorus, bearing Miss Barbieri over the stage, and joining the central couple in some beautiful groupings.

For the final movement, Mr. Wright has to cope with the airy difficulties of a typical Mendelssohnian scherzo. He solves most of its structural problems in brief, sparkling entries for his entire cast — increased by an extra boy and four more girls — though I feel that the invention tends to fracture into excessively short incidents. But *Summertide* is undeniably agreeable, and it is danced with a whole-hearted enthusiasm and not inconsiderable bravura by the Wells company. It will stand them in good stead as a test piece and as a display for dancers who have youthful and winning qualities that should endear them to the public.

The programme also included *The Lady and the Fool* and the third act of *Raymonda*. Both need a good deal more precision of utterance: the characterisations in *Lady* and the classic grandeur of *Raymonda* need to be sharper and more assured.

Royal Variety Performance

The programme for the Royal Variety Performance, to be held at the Palladium on Monday, November 15, was announced on Tuesday by Lord Delfont. It comprises, in alphabetical order: Shirley Bassey, Gilbert Becaud, Max Bygraves, Dawson Chance, Roger de Courcey, the Dance Theatre of Harlem, Wayne King, The Mosaics, Tom O'Connor, Los Reales del Paraguay, Mike Yarwood and Lena Zavaroni. It will be transmitted live on television by the BBC.

Queen Elizabeth the Queen Mother will attend.

EUROPEAN NEWS

PRESIDENT GISCARD'S LITTLE BLUE BOOK

Complaints but few remedie

BY ROBERT MAUTHNER, PARIS CORRESPONDENT

PRESIDENT Giscard d'Estaing's book on the kind of society he would like to see established in France is the first work of its kind by an incumbent head of state or government since the Roman Emperor Marcus Aurelius -wrote down his thoughts on stoicism in the second century A.D. At least that is the claim made for it by the President's staff, who obviously consider Chairman Mao's "Little Red Book" as too epigrammatic to merit similar consideration.

It is hardly surprising, therefore, that Giscard's "Little Blue Book," as it has already been dubbed, has become a best-seller within 24 hours of publication and has elicited a typically Gallic deluge of comment ranging from fawning praise to dismissive derision. "The most important event since 1968 (the year of the student-worker revolt in France)," according to M. Jacques Dominati, the secretary-general of the Independent Republicans, President Giscard's old party. But no more than "the political event of the week" in the eyes of M. Jean Lecanuet who, as one of the most senior ministers in the Government, clearly has a somewhat more jaded view of the political thoughts of the President.

The book, entitled simply "Democratie Française," is certainly important in a French context. But at least as much because of its author's position and the timing of the book's publication, 18 months before the *next* general election, as because of the intrinsic value of the ideas it expresses.

Though M. Giscard d'Estaing has protested for all he is worth that he did not intend to write a political manifesto, he cannot prevent people from regarding it in this light. A political and sociological work written by a President of the Republic in office can hardly be considered as principally an academic study.

Judged on its academic merits alone, the book cannot, in any case, be considered a major contribution to political and sociological thought. The critique of Marxist society, though lucidly and convincingly argued, is by no means original, while the kind of advanced liberal society which M. Giscard d'Estaing advocates, has long become a reality—together with all its imperfections—in a number of other western European countries.

Nor are the claims of objectivity made for the book furthered by several lapses into purely practical politics, such as the listing of measures already taken by President Giscard's Government to achieve greater social equality.

"Democratie Française" therefore tends to fall between two stools and the President has laid himself open to criticism precisely on the level which has always been his weakest point—the practical application of his unquestionably idealistic ideas.

What, for instance, is the point at this stage of his mandate and the life of the present parliament, in underlining the over-centralised nature of the French administration, of which everyone has long been aware without putting forward any concrete proposals for greater regional independence? And who can accept at face value a statement that French people are, on the whole, satisfied with the institutions of the Fifth Republic?

> The castration of Parliament and concentration of power in the President's hands is one of the very reasons why French politics sometimes resemble "wars of religion" which President Giscard so much deplores in his book.

No doubt, few Frenchmen or women would want to revert to the political chaos produced by the purely parliamentary systems of previous republics. But the shortcomings of the present constitution, which *does* not properly provide for a situation in which a President has to govern with a hostile parliamentary majority, are the subject of daily comments in the Press. And the castration of parliament and concentration of power in the President's hands is one of the very reasons why French politics sometimes resemble "wars of religion," which President Giscard so much deplores in his book.

Frustrated by the secondary role played by the National Assembly and the lack of public interest *in* its proceedings, political parties often resort to over-dramatic tactics to make their weight felt.

M. Giscard's central thesis—that the polarisation of French politics no longer corresponds to social reality—is also questionable though it doubtless reflects a long-term trend. The recent OECD report which places France at the top of the list of industrialised countries where the gap between the highest and lowest incomes is the largest—though disputed by the French government—illustrates the long way that France still has to go before the working classes can identify themselves with a centrist rather than a left-wing government.

Indeed, this is the very nub of the problem because, if the French President has decided to write a book setting forth his political philosophy at this time, one of his main motives is clearly that he wants it to influence the voters at the next general election. The headway made by the Socialist-Communist opposition in the public opinion polls called for an energetic response from the Government, whose image has been seriously tarnished by the internal divisions which led to the resignation of M. Jacques Chirac, the former Prime Minister.

Whether "Democratie Française" is the right kind of response is another matter. It is too heavy going for the man-in-the-street and, *in spite of* all the publicity which has surrounded the book, it may be doubted whether it will reverse the present political trend.

Certainly, M. Chirac has quite different ideas on the subject. Irritated and frustrated by President Giscard's passivity in the face of constant onslaughts by the Socialists and Communists, he has chosen to wage the electoral battle from outside the Government's ranks. His resignation has given him the opportunity of making the Gaullist party the spearhead of the electoral battle against the union of the left, whereas when he was still Prime Minister M. Chirac was constantly engaged in squabbles with the other coalition partners who were intent on asserting their own position.

M. Chirac has made what can only be described as a take-over bid for the Gaullist party. His immediate aim is twofold: to ensure that the present coalition wins the general election by waging a dynamic and hard-hitting campaign without any further delay and to make certain that the Gaullists will preserve their position as the biggest single party i[n Parlia]ment.

No one is in any do[ubt that] the former Prime M[inister's] longer-term aim is to [become] President of the Repu[blic, but] since the next presiden[tial elec]tion is not due until 198[1, it is] not an ambition which [can be] immediately fulfilled, e[xcept in] the unlikely event of [President] Giscard's resignation.

For the moment, ther[e M.] Chirac intends to conce[ntrate on] giving the Gaullist part[y a more] popular image and th[e] response from the rank[s,] always in search of a dynamic leader, has bee[n favour]able.

M. Chirac must be give[n credit] for realising — very bel[atedly, it] should be said — that th[e] paucity of new ideas [and an] ingrained tendency to h[ark back] constantly to the past, [could] condemn it to oblivion. [But] much more doubtful is [whether] his attempts to marry Gaullist principles with [a kind] of Right-wing Labour phi[losophy] will either be credible [or catch] the popular imagination.

In one sense, M. Chira[c is] serving the President's i[nterests] in spite of all the differe[nces be]tween the two men. O[bviously] M. Giscard d'Estaing [is as] anxious as anyone [that the] Socialist-Communist [alliance] should not win the electi[on. But] at the same time, nothi[ng must] hinder the realisation o[f his re]form programme, more [so if a] victory of the present [coalition] under the domination [of the] Gaullists.

M. Giscard d'Estaing's [hope] for a Centre-Left Parlia[mentary] majority, including the So[cialists,] is therefore still as str[ong as] ever. Though he has gi[ven up] the idea for the moment [of pris]ing the Socialists away fr[om the] Communists, he still hopes [to gain] the support of a sufficien[t num]ber of moderate Socialist[s] opposed to the partnershi[p with] the Communists to scrape [through] in the election.

To base one's el[ectoral] strategy on such a faint [hope,] however, is taking a bi[g risk.] The ideal advanced [liberal] society based on "the socio[logical] centre," which M. G[iscard] d'Estaing is striving for, [is a] worthy concept, but it wi[ll not] come into being before th[e next] election.

In the meantime, M. Gisc[ard is] not only President of Fran[ce but] the leader of a coalition [which,] in many ways, particular[ly in] the economic field, has fa[iled to] come up to expectations. H[e will] be judged according to ["real]politik" criteria and it is [by no] means certain that "Dem[ocratie] Française" will have done [much] to further his cause.

"Democratie Française," Valery Giscard d'Estaing, [pub]lished by Fayard, price Frs.

All these bonds having been sold, this announcement appears as a matter of record only.

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EUROPEAN NEWS

FRENCH ECONOMY

Bourse fall emphasises businessmen's pessimism

BY DAVID CURRY

PARIS, Oct. 13.

THE DEEP-SEATED lack of confidence within the French business community in the face of both political and economic uncertainty has been illustrated by a sequel of dismal performances on the Paris Stock Exchange. To-day the Bourse edged down slightly again doing nothing to dispel the gloom engendered by Tuesday's drastic 3-point decline which coincided with the opening of the debate on the Government's austerity programme in the National Assembly.

At the same time, a poll commissioned by the magazine Expansion showed that three-quarters of industrialists thought the Socialist-Communist coalition would win the 1978 legislative election. In a televised debate with leading industrialists, M. Francois Mitterrand, the Socialist leader, scorned suggestions that the planned nationalisation of nine leading groups would be abandoned.

He defined candidates for nationalisation, which he referred to as "the promotion in status," as "companies enjoying a monopoly situation in the major areas of production." Shareholders would not be bought out at an arbitrarily fixed price, he promised. Their interests would be converted into bonds which would be eligible for dividends.

Asked why he wanted to nationalise the one-third of the banking sector still privately owned, M. Mitterrand said that it was vital to reverse the development of "banking capital" at the expense of "industrial capital." Anyway, he added impiously, Gen. de Gaulle himself had intended to bring the whole financial sector under post-war State control.

As for the union of the left, there was no point in hoping for its fragmentation, he declared. It would fight the election on a joint platform and work together in Government, he affirmed.

Meanwhile, the Paris Chamber of Commerce released a forecast that economic activity would recover in the first half of next year from its present tendency to stagnate but it went on to underline the continuing difficulties being faced by the heavy industrial sector.

The refusal of the Prime Minister, M. Raymond Barre, to envisage the introduction of a wealth tax—although he left the impression that his reasons were as much technical as ones of principle—did a little to dispel the jumpiness on the Bourse. It was clear from M. Barre's remarks that he did not want a repetition of the brawl over the recently introduced capital gains tax

Attention was focused to-day on this week's decline in share values on the Bourse which saw some shares marked down by up to 9 per cent. Rhone Poulenc, Pechiney-Ugine-Kuhlmann, and Saint-Gobain-Pont-a-Mousson, all three of them on M. Mitterand's nationalisation list, sank to historical lows while Poclain, the mechanical construction concern which recently announced lay-offs, saw its price plummet by 45 per cent. over three weeks.

Giscard protests to OECD

BY ROBERT MAUTHNER

PARIS, Oct. 13.

THE FRENCH Government's official protest against an OECD study on incomes distribution in its member countries, which showed that the greatest inequalities in the industrialised world existed in France, threatens to undermine the whole basis on which the international organisation carries out its work.

Yesterday, President Giscard d'Estaing's office put out a statement criticising the OECD report on incomes distribution, prepared by Malcolm Sawyer, a British economist, for its lack of scientific rigour, and emphasising that the whole affair was being taken very seriously by the Elysee Palace.

The main French criticism of the report, as expained earlier this month by M. Raymond Barre, the French Prime Minister, is that the statistical criteria used were different for France, compared to the other member countries. Sources close to the OECD point out, however, that comparisons were made on the basis of several different statistical methods and that, in most cases, France came out worst.

Whatever the truth, it is certain that the French Government has been politically embarrassed by the findings of the report, published in July, at a time when its popularity was already on the wane.

The report in question was one of a series of occasional studies carried out by economists on the OECD secretariat's staff, which specifically mention that they are published on the responsibility of the author and not the sponsoring organisation.

New East German talks seen by Schmidt

By Adrian Dicks

BONN, Oct. 13.

CHANCELLOR Helmut Schmidt declared himself ready last night for the resumption of negotiations with the German Democratic Republic on a wide range of matters, and said that the theme of co-operation between the two German states would form an important part of his talks with the Soviet leader, Mr. Leonid Brezhnev.

Speaking to a Social Democratic Party meeting in Berlin, Herr Schmidt also made clear that the city would not be left out of the West German Government's renewed diplomatic initiative towards the East.

Progress has been slow on a large number of matters requiring practical negotiations with the GDR. In particular, Herr Schmidt mentioned the long-discussed motorway plan linking Berlin to Hamburg, for which work is due to begin in 1980.

The Chancellor also indicated that he has not given up all hope of the plan for West Berlin to be supplied with electricity from the Soviet Union. Talks on this were abandoned earlier this year when the Soviet and East German Governments refused to accept that the power transmission line from Kalingrad, in Russia, to West Germany should pass through West Berlin.

Adjustment of 'green' parities would cause food price rises within EEC

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

STRASBOURG, Oct. 13.

THE European Commission is planning to step up its efforts to halt the steady deterioration in the EEC's agricultural financing system by calling later this month for a progressive realignment of "green" parities with real exchange rates over a two-year period.

It is understood that this sweeping proposal, which would mean a substantial increase in food prices in the U.K. and other food-importing countries with weak currencies, will be advanced by the EEC Agriculture Commissioner, Mr. Pierre Lardinois, at a joint meeting of EEC Farm and Finance Ministers in Luxembourg on October 25 and 26. The Lardinois plan, the main outlines of which were learned here to-day, seems certain to provoke another outburst of stormy controversy among the Nine over the Common Agricultural Policy, and is likely to meet especially strong resistance from the U.K.

The proposal implies a rise of at least 28 per cent. in U.K. imported food prices over the two-year period. This is calculated on the basis on the current gap between the market rate for sterling and the value of the "green" pound used in agricultural transactions, which will be more than 37 per cent. as from next Monday.

The ultimate rise in imported food prices could well turn out to be even higher than 28 per cent., because Britain is due to lose in 1978 the benefit of the special food import aids granted it as part of its package of EEC entry concessions. Moreover, the rise would almost certainly be swelled by future EEC annual price reviews.

It is understood that Mr. Lardinois will couple his proposal with a renewed demand for an immediate devaluation of the "green" pound, to narrow the discrepancy between it and the real exchange rate for sterling to a little over 28 per cent. The size of the required devaluation will, however, be larger than the 4.6 per cent. adjustment demanded by Mr. Lardinois at the last EEC Farm Ministers' Council meeting earlier this month, because the sterling rate has fallen further since then. Mr. Lardinois' demand at that meeting was flatly rejected by Mr. John Silkin, British Agriculture Secretary.

The Lardinois plan seems certain to provoke another outburst of stormy controversy among the Nine over the Common Agricultural Policy, and is likely to meet especially strong opposition from the United Kingdom.

"Green" parities are artificial exchange rates designed to permit the EEC's Common Agricultural Policy to continue operating in a period of floating currencies. Under the system, Britain effectively receives an EEC subsidy towards its food imports, while farmers in strong currency countries like West Germany, receive compensation to maintain their export earnings.

The difference between "green" currency rates and real exchange rates is paid in the form of Monetary Compensatory Amounts (MCAs). Because of the growing divergence of exchange rates within the Nine, the value of these compensatory amounts has been climbing

Mr. Lardinois told the European Parliament to-day that the burden of MCA financing had now become "intolerable." He said that on the basis of current exchange rate movements, the cost of MCA payments to next year's EEC Budget would be 500m. units of account (about £270m.) higher than forecast. He is expected to stress at length the growing cost of the system at the October 25 meeting, and clearly hopes that this aspect of the situation will weigh more heavily with EEC Finance Ministers than it has done so far with their colleagues in the Agriculture Ministries. He is likely to repeat in even more forceful terms his assertion before the Parliament this morning that, unless the financing system is drastically modified, it will mean the end of the Common Market.

Though he did not spell out the specifics of his proposal before the Parliament, Mr. Lardinois is understood to believe that an immediate devaluation of the "green" pound must precede any broader move towards a progressive realignment of "green" currencies. He is apparently counting on mounting pressure from Britain's EEC partners to accomplish this.

The Commissioner made clear that he regarded the "green" pound as only one part of a more general malady affecting the farm financing system. His ultimate objective would be the ending of the MCA system by late 1978, and a return to fixed units of account. In the meantime, he indicated that he strongly favoured removing responsibility for adjusting "green" currencies from individual governments, and establishing a new mechanism which would make such changes automatically.

But it is understood that Mr. Lardinois does not plan to press for such a fundamental reform at the Council meeting later this month, and believes that its discussion must await the annual farm price review to be conducted by EEC Agriculture Ministers next spring.

See also Page 35

Italy unions face dilemma

BY ANTHONY ROBINSON

ROME, Oct. 13.

WORKING OUT a credible response to the Italian Government's recent austerity package is proving an extremely difficult process for the trade union movement which is showing increasing signs of internal division and growing nervousness about losing control over a significant part of the rank and file.

Even before the austerity package the union leadership was worried by the increase in unofficial strikes and the growing influence of the so-called autonomous unions. These operate independently of the three main trade union confederations CSIL, UIL and CGIL and have rejected the jobs-and-investment-before-pay strategy of the confederations in favour of a higher-pay-now strategy.

This partly reflects the fact that the decision of the Communist Party to effectively support the present Government by its abstention in Parliament has been matched by not too-subtle pressure on the Communist-led union confederation CGIL to stick to the moderate jobs before pay strategy.

This pressure has not passed uncontested within the CGIL. The situation has been further complicated by the desire of the Socialist Party to strengthen its own links with the union movement, particularly the UIL, and similar moves by the Christian Democrats who are strongly entrenched in CSIL.

This situation means that the trade unions were in a delicate situation even before the latest austerity measures which mean both higher prices and reduced investment and hence job prospects. But with unemployment and inflation already major problems the union leadership has to somehow demonstrate that it is defending its members interests while not provoking industrial unrest and wage demands which it realises will rapidly be translated into higher inflation and unemployment.

● The "temporary" 10 per cent. surcharge on foreign currency purchases introduced for a two-week period by the Italian Government on October 1, will almost certainly be rolled over in a similar way to the 50 per cent. import deposit scheme which was originally introduced for three months last May and subsequently extended.

When Prime Minister Giulio Andreotti announced the measure he hinted that Italy was expecting help for the reserves from the IMF meeting in Manila and for the lira from a possible D-mark revaluation. But neither has taken place and the lira is starting to come under pressure again.

Dutch parties manoeuvre

BY MICHAEL VAN OS

AMSTERDAM, Oct. 13.

THE LEADERSHIP of the main partners comprising the "progressive bloc" in the current Dutch Socialist-dominated coalition Government, the large Labour Party (PVDA) and the much smaller Political Party Radicals (PPR), agreed at a meeting in The Hague to-day on several far-reaching conditions for their participation in a similar coalition after general elections next May.

The conditions, which are likely to be approved by the party congress in January, are that their combination must obtain more seats in Parliament than the 50 they have between them now, and that the "progressive" parties shall again get the majority of the Cabinet positions, and that Labour Mr. Joop den Uyl of the Labour Party shall again be Premier.

The Socialists' Christian Democratic partners later to-night described the conditions as "totally impossible," casting more uncertainty over any return to office by the current Dutch Government.

The decision of the Labour Party and PPR executives at an election programme meeting closely follows the publication of an opinion poll which showed that, should elections be held now, the Labour Party would be overtaken as leading Dutch party by the recently established Federation Christian-Democratic Appeal (CDA), and the Left-wing parties would lose badly.

The CDA has already claimed that, should it become the largest party, it will take over the main Ministerial positions. The Labour Party executive said to-night that the two socialist parties were only interested in a new spell in Government if they were clearly in a position to put a progressive stamp on its policies.

Spain Alliance fights back

BY ROGER MATTHEWS

MADRID, Oct. 13.

THE POPULAR Alliance, Spain's newest and potentially powerful grouping of Right-wing parties, has mounted a strong offensive to counteract suggestions that it is neo-Fascist or totalitarian. In a stream of letters and articles in the Press, the Alliance argues that it is democratic and reformist, but favours a slow political evolution which is based on improving, not destroying, the heritage left by General Franco.

The Alliance is headed by six former Franco Ministers, including Sr. Gonzalo Fernandez de la Mora and Sr. Manuel Fraga Iribarne. It has been accused, among others by the liberal daily newspaper El Pais, of wishing to change "neither the dogs nor the collars," a statement which has brought a fierce response. Sr. Fraga retorted that the new grouping wished to offer a democratic alternative at next year's elections, and to fulfil a role similar to that of the Conservative Party in Great Britain.

However, the difficulty of shaking off the extreme Right-wing stigma became apparent to-day, following a church service in Madrid organised by Sr. Fernandez de la Mora in memory of the five men assassinated by members of the Basque separatist group ETA in San Sebastian ten days ago.

However, the relatively small number attending the memorial service was another indication of the difficulties for the Right in mustering the large crowds that, less than a year ago, they could attract with little problem. Such overt devotion to the police, and to the politically-committed members of the army, is some measure of the anxiety of the extreme Right.

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AMERICAN NEWS

John Dean accuses Ford on Watergate

By Jurek Martin

WASHINGTON, Oct. 13.

THE remorseless finger of John Dean is continuing to point at President Ford's role in helping the White House to block Congressional investigations into the Watergate burglary four years ago.

This morning on national television Mr. Dean, the former White House aide to President Nixon, expanded on passages in his recently published book "Blind Ambition" to suggest that there were executive branch and Mr. Ford, then leader of the House

The U.S. Presidential Election

Republicans, designed to thwart a planned inquiry by the late Congressman Wright Patman.

In November, 1973, in the course of Senate hearings on his nomination to be Vice-President. The White House to-day repeated Mr. Ford's statement of the time.

The significance of the Dean allegations is obvious: they raise again the whole spectre of Watergate and the extent to which Mr. Ford was used by Mr. Nixon, whom he later was to pardon, and they do so in the closing weeks of an election campaign that has suddenly started to go awry for the President. It is possible that the public is weary of Watergate and will not be moved: so far, the American media have not paid excessive attention to Mr. Dean's revelations. But Mr. Dean has an uncanny habit of being right and has shown to date an almost infallible memory.

Two Democratic members of Congress, Mrs. Elizabeth Holtzman from New York and Mr. John Conyers, from Michigan, to-day called for a new investigation into Mr. Ford's role. Mr. Conyers said that this must take place before the election, asked for the reconvening of the House Judiciary Committee (Congress is now in recess), and disclosed that Mr. Charles Ruff, the Watergate Special Prosecutor, had promised to let him know by Friday whether or not he would listen to at least 200 tape recordings of conversations between Mr. Nixon and Mr. Ford. He implied that Mr. Ford may well have committed both perjury and been a party to obstruction of justice.

Striking car workers agree new contract

BY JAY PALMER

NEW YORK, Oct. 13.

STRIKING U.S. car workers voted last night to accept their union's negotiated three-year labour contract with Ford Motor and to return to work. The ratification of this contract by rank and file workers clears the way for Ford to start resuming full production after being closed for over four weeks.

Although the United Auto Workers Union's production members came out strongly in favour of the settlement terms, the vote among skilled workers was very close indeed. The union announced very late last night that 8,957 skilled workers were in favour while 8,468 wanted to hold out for better terms.

Under the union's charter, skilled workers had the right to veto the entire contract. If the vote had gone the other way, and there are reports that only last minute intervention by union leaders stopped this from happening, full negotiations would have to have been restarted and the Ford strike would have been continued indefinitely.

As it is, Ford will not be able to resume full output of its new 1977 model year cars for some time. The company must still reach agreement with union leaders at some 22 of its 99 U.S. plants where all production remains stopped pending settlements. Several of these plants are said to be "key operations," being Ford's only source of certain products.

This morning a Ford spokesman in Dearborne predicted that the company would be able to resume "full production in a matter of days." Although four of the company's nineteen U.S. assembly plants will start-up today or to-morrow, this is almost certainly an over-optimistic view. Unofficially, the union suggests that it will take the company at least a week and possibly longer to return to normal.

The next stage in the UAW's regular three-year contract bargaining with the U.S. car industry comes when a decision is finally made on who to negotiate a new contract with next. Tradition would have it that the union should choose a single company, like Chrysler, but rumours in Detroit suggest that a new precedent may be established by simultaneously starting talks with all the other car makers.

As of this morning, General Motors, the titan of the U.S. car industry, is still refusing to comment on the terms of the Ford settlement or its own attitude when the union asks it for the same terms. However, GM is known to believe that Ford capitulated too easily and gave in to too many of the union's demands and it remains possible that the company might decide to take a very hard line of its own and risk a strike.

Retail sales figures show only 1.4% rise

BY DAVID BELL

WASHINGTON, Oct. 13.

THE FORD Administration, already worried by a series of bad economic statistics, can take very little comfort from the latest retail sales figures which one again suggest that the recovery is turning out to be much more sluggish than it expected.

For the past three weeks, senior officials have been saying that retail sales, at least, were showing that the economy is very far from running out of steam. They conceded that the pace of the recovery had slowed and that the next phase of expansion might be delayed a few months, but they pointed to what appeared to be the encouraging 2.2 per cent. rise in sales in August as strong evidence that all was still fundamentally well.

However, the Commerce Department has now revised downwards the August rise to a very much less impressive 1.4 per cent. increase, and it also announced yesterday that its advance figures for September show that sales last month increased by only 0.1 per cent. largely because of an unexpected fall in car sales. To make matters even less encouraging, the Department also revised downwards its figures for July, saying that sales fell by 0.4 per cent. instead of the 0.3 per cent. reported earlier.

Last month's sales were particularly disappointing because September is back-to-school time, which normally stimulates sales. The 3.9 per cent. decline in new car sales meanwhile may have been a result of the Ford strike, although most analysts discount this, noting that it usually takes much longer for a strike to be reflected in these figures and that in any case most Ford dealers had ample stocks of new cars. The Commerce Department could offer no reason for the fall but suggested that it might just be a temporary aberration.

The Government expects to release these on Tuesday and most experts think they will show growth somewhere between 4 and 4.5 per cent. for the quarter. Some pessimists, however, fear that the figure may be less than this.

These new figures, and the other rather gloomy statistics that appeared last month and this, may prompt some economists to take another look at their estimates of gross national product for the third quarter.

Poll likely to show Ford trailing again

By Our Own Correspondent

WASHINGTON, Oct. 13.

PRESIDENT Ford's recent stumbles on the campaign trail will hurt him in the next Gallup poll, due to be released towards the end of the week.

Mr. Tom Reinken, a Gallup editor, refused to confirm a Washington Post story this morning which suggested that a Gallup survey taken after the second televised debate on foreign policy with Mr. Jimmy Carter gave the Democrat about a 10-point lead over the President.

However, Mr. Reinken, while stressing that he had only seen a very preliminary computer run-out of raw polling data, did not disagree that Mr. Carter seemed to have recouped some of his sizeable losses in the polls sustained over the last month.

Gallup did release a poll this morning, taken before last week's debate in San Francisco and which probably did not take full account of the Earl Butz affair. This showed Mr. Ford continuing to cut into Mr. Carter's lead, with the gap between them having narrowed to only two percentage points from the six-point spread in the canvas of three weeks ago.

It is thought, however, that this poll is already more or less obsolete.

Israel weapons row

BY DAVID BELL

WASHINGTON, Oct. 13.

PRESIDENT Ford's announcement on Monday that the U.S. is to supply Israel with very sophisticated new weapons appears to have taken both the State Department and the Pentagon by surprise and to have caused considerable anger inside the Administration.

Both Government agencies continued to refuse to comment to-day but a number of sources have confirmed that the new equipment which Israel is to receive consists of a recently perfected concussion bomb and a heat-sensitive scanning device which enables helicopter pilots, in effect, to see in the dark. Neither weapon has yet been supplied to any Nato country, according to these sources.

Mr. Ron Nessen, the President's Press Secretary, said on Monday that the decision to sell the arms to Israel had nothing whatever to do with politics and had been under discussion since well before the foreign policy debate with Mr. Jimmy Carter, the Democratic Presidential candidate. During this Mr. Carter attacked Mr. Ford for alleged "softness" on Israel.

However it appears to-day that the White House took the decision on its own and did not consult either the State Department or the Pentagon in advance. One senior official is quoted this morning as saying that it "was taken in a vacuum in a last attempt to do something after the debate." Another State Department official was quoted as saying angrily that "there is absolutely no strategic or tactical reason for doing this now."

Mr. Ford's sudden problems with the Jewish vote were highlighted yesterday when he was repeatedly heckled by Jewish demonstrators who accused him of being "soft" on Israel. His equivocal stand on the Arab boycott in the debate has almost certainly lost him many Jewish voters who, before it, were definitely leaning his way.

The concussion bomb is a very advanced weapon known as a "fuel air" explosive which squirts a kerosene-like substance from a pre-set height onto the ground in a circle. This is then ignited causing a concussion effect which crushes bodies. If this is not fatal these bodies are the torn apart by the rush of air that follows the initial explosion. Using the kind of jargon much favoured at the Pentagon, one official said of the weapon "we think of it not as a weapon but as a kill mechanism."

Campaign against Geisel

BY HUGH O'SHAUGHNESSY

SAO PAULO, Oct. 13.

IN WHAT is seen as a serious intensification of the campaign by the extreme Right in Brazil against the Government of General Ernesto Geisel, a letter bomb was recently sent to the military commander in Sao Paulo.

The incident, which happened late last month involved General Dilermando Monteiro, commander of the 2nd Army and senior officer in Brazil's largest city. The package containing a small explosive device was disarmed without causing injury or damage. General Monteiro was appointed to this important and politically sensitive post earlier this year. His appointment followed the sacking of General Ednardo Davila Melo who was held indirectly responsible for the death of a well-known Jewish journalist and a factory worker while they were being held in custody. Since his appointment General Monteiro has largely cleared up torture and police brutality in Sao Paulo on the express orders of General Geisel.

The importance of the bomb which was dismissed by a senior Government figure here as "a joke in bad taste," is not that it could have killed General Monteiro but that it represented an open gesture of defiance against the Geisel government by an increasingly frustrated group of right wing extremists on whom General Geisel has declared open war.

The bomb is seen as part of an escalating campaign in recent months which has involved bombs thrown at a journalists club in Rio de Janeiro, and a social study centre in this city as well as the kidnapping, stripping and daubing with red paint of Dom Adriano Hipolito, the reformist Bishop of Nova Iguacu outside Rio.

According to official sources here the extreme right, driven more and more into secrecy, is resorting to "a war of nerves against the Geisel administration."

General Geisel is now expected to take measures to reinforce his authority, especially as the news of the letter bomb comes in the wake of the death yesterday of a 61-year-old Jesuit priest who was shot at point blank range by a policeman in the village of Ribeirao Bonito in the State of Matto Grosso.

The priest, Joao Bosco Penido Burnier, was in the company of the Dom Pedro Casal Daliga, Bishop of Sao Felix, who has been constantly harassed by the authorities because of his action in favour of peasants in his diocese. The Bishop has been threatened himself with death by the local police.

The killing of the priest, is likely to worsen relations again with the Catholic church and oblige General Geisel to rein in uncontrolled elements in the security forces. "The Government's policy is very clear and very firm," a senior Government figure told me here this morning. "There will be no latitude given to extremists of the left or of the right."

OVERSEAS NEWS

Return to Thailand democracy postponed

By David Housego, Asia Correspondent

BANGKOK, Oct. 13.

A CURFEW was re-imposed on Thailand to-night a few hours before the new Prime Minister, Mr. Thanin Kraivichien, told a stunned nation that it would not have an elected assembly incorporating majority rule for at least 12 years.

Previous statements by the military junta have suggested an early return to a civilian and democratic government. It is now clear, however, that the military intends to remain the dominating force in political life following the coup last week which ended a three-year experiment in parliamentary rule.

The Prime Minister spoke on television an hour before the curfew came into force at 10 p.m. to-night (Bangkok time). Army patrols have been touring the streets this evening and sand-bagged posts were put up at key points. The authorities evidently anticipated a harsh popular reaction to the announcement.

Under the timetable laid out by the Prime Minister a legislative assembly will be composed of appointed members for the first four years. In the second four years an elected assembly will have equal rights with an appointed senate. During the four years after that the senate will be gradually phased out as the elected assembly is given greater powers. But it will not be until at least 12 years or more, probably 16, before the country is again ruled by a fully elected parliamentary system.

The three years of democracy that the country enjoyed until last week's coup has given a taste for free speech which will not easily be snuffed out by to-night's announcement. It is likely to provoke a strong reaction from the militant student movement and the labour unions whose activities have already been curtailed by the ban on strikes. Politicians of all parties, however, are likely to resent what is considered here as a high-handed action by the new military regime.

Earlier to-day in announcing that there would be a new curfew, General Kriansak Chamanand, officially number three in the military junta but its most powerful figure, said that there was a threat to security but declined to reveal what it was.

The curfew has been imposed indefinitely but General Kriansak said that it might be lifted in two or three days. The previous curfew lasted only one night.

The authorities are also apprehensive that opposition student groups would turn to terrorism as a way of testing the strength of the new regime. To-morrow is the anniversary of the overthrow of the military dictatorship of Field Marshal Thanom three years ago, and the students had been planning large demonstrations

Syrian push scuttles talks

BY IHSAN HIJAZI

BEIRUT, Oct. 1

SYRIAN FORCES to-day launched their second offensive in as many days against Palestinian and left-wing positions. The new thrust was carried out in the Sofar-Bhamdoun mountain area about 12 miles east of here. It came only 24 hours after Syrian forces in the southern Jezzin mountains, 30 miles south-east of here, launched a major attack against Palestinian and left-wing encampments there.

The new outbreak of fighting has scuttled the peace talks which were to have been resumed at the Bekaa town of Shtoura to-day between Syrian, Palestinian, Lebanese and Arab League representatives. The office here of Dr. Hassan Sabry el Kholy, the League envoy, announced the talks have been put off because of the "deterioration in the military situation."

Dr. Kholy went to Damascus post haste yesterday for consultations with Syrian leaders and was expected to fly to Cairo for urgent talks with Arab officials.

It was not yet known how far the Syrians will advance in the direction of Beirut. There already were speculations that Syrian troops would try to secure the entire highway from Bhamdoun down to Baabda, where President Elias Sarkis has his official residence and offices.

Onslaught

According to Left-wing sources, yesterday's onslaught lasted only four hours, during which Syrian troops occupied the towns of Ruom and Azour, respectively due west and north of Jezzin, and Haitourah due south. The Palestinians and left-wingers were pushed back down the road to the coastal line in the Sidon region.

To-day's offensive began with a barrage of artillery and missile fire put up by Syrian contingents advancing from Sofar and Qobaah in the east, down the main Beirut-Damascus highway to Bhamdoun and Aley, which were under Palestinian and Left-wing control.

In the south, the Syrians appeared to have stopped, for the time being, after their quick occupation of the towns of Roum, Azour and Haitourah. The Left-wing Press quoted Palestinian military sources as believing the Syrians will soon advance down to the southern city of Al Nabatiyah, from where they could cut off the road linking Sidon with Tyre, the port farther south.

In the fighting in the mountains east of here to-day, Palestinians and Left-wing positions at the resort town of Aley came under heavy shelling by the Syrians, according to communiques broadcast by Voice of Palestine, the radio station of the Palestine Liberation Organisation.

Observers said the fresh attacks by Syrian troops may push the conflict between Damascus and the Palesti[nian] guerilla movement to the [point] of no return. The Syrians [have], through their media, made [no] secret of their desire to have [the] leadership of the comm[ando] movement under Yassir A[rafat] displaced.

Terrorists

Informed sources reported the Syrian troops decided [to] move now, and in spite of peace talks at Shtoura, follo[wing] the Palestinian terrorist att[acks] against the Syrian embassie[s in] Rome and Islamabad on Mon[day] and after receiving inform[ation] that Iraq was about to [send] several hundred members of Baghdad-based People's A[rmy] by sea to Sidon via Egypt. People's Army is the milit[ia of] Iraq's ruling Baath Party. A[bout] 250 of these militiamen [have] come to Lebanon during the [last] three months, and have [joined] the ranks of the Iraqi-spons[ored] commando group, the [Arab] Liberation Front.

Nkomo announces Geneva team

BY MICHAEL HOLMAN

SALISBURY, Oct. 13.

THE WING of the African National Council led by Mr. Joshua Nkomo to-day announced an 18-member delegation to the forthcoming Geneva conference to establish an interim government in Rhodesia.

Headed by Mr. Nkomo, the delegation includes Mr. Josiah Chinamano, vice-president, Mr. Joseph Msika, secretary-general, Mr. Willie Musarurwa, publicity secretary, Mr. Ariston Chambati (a university of Rhodesia lecturer in politics) and Mr. Jason Moyo, vice-president.

Mr. Moyo played a prominent part in preparing the ground for the "patriotic front" formed with Mr. Robert Mugabe, who claims leadership of the Zimbabwe African National Union, in Dar es Salaam last week-end.

In addition to the delegates at least 12 advisers and officials will go to Geneva.

Meanwhile, an editorial in to-day's Rhodesia Herald bitterly attacked Dr. Henry Kissinger, U.S. Secretary of State. The paper welcomed the formal announcement of the Geneva conference but warned that the situation was far from encouraging—"thanks to Dr. Kissinger."

"With a cynicism that is breathtaking even in present-day politics, he has sought to drive Mr. Smith into a corner from which, he no doubt hopes, the Rhodesian Prime Minister can escape only by making further concessions to black nationalism."

The editorial continues: "The package deal . . . was no package deal at all. It was a con trick. And so if Mr. Smith feels justified in sticking to the script presented to him, the nationalists will feel equally free to argue the toss. After all, they, too, were deceived."

This attitude reflects that of an increasing number of whites. After the initial relief that they had as long as two years to prepare for majority rule, it is gradually being realised that any "transition period" will have to be dominated by an African administration if the Geneva talks are going to succeed.

● Reuter reports from Cape Town: Police reported sporadic violence in black townships around Cape Town to-day as black students campaigned against shebeens (unlicensed bars) used by black adults.

The riot police chief, Major-General David Kriel, said there had been some stone-throwing by black youths but no serious incidents. He denied reports yesterday that police had shot dead a 12-year-old boy during the violence.

UPI adds from Pretoria: The South African Government to-day cut fuel sales to the public to 4½ days a week with the aim of saving between R60m. and R80m. ($69-92m.) in crude oil imports annually.

Economic Affairs Minister Chris Heunis said petrol stations would from October 22 remain closed on Saturdays and motorists would only be able to buy fuel from 6 a.m. to 6 p.m. on Monday to Thursday and from 6 a.m. to mid-day on Fridays.

Corume Cochrell

The Minister of Justice of the Transkei, Chief George Matanzima, yesterday announced that the two black actors detained last Friday, Mr. John Kani and Mr. Winston Ntshona, would be released when they have answered certain questions "satisfactorily." The two men were arrested following a performance of their celebrated play, "Sizwe Banzi is Dead.' They are pictured above in a scene from the play during its London run in 1974. Mr. Matanzima condemned the play, which he claimed said that Transkei independence would bring bloodshed in its wake

Fever toll total 253 in Zaire

The death toll from the my[sterious] fever sweeping northern Zaire [has] reached 253, the Belgian For[eign] Ministry announced yeste[rday], UPI reports. No further [cases] have been reported since [Octo]ber 7, raising hopes that the [out]break is under control.

Tropical fever experts in [the] U.S., Britain, France and Belg[ium] have been trying to identify [the] fever. Last week the Insti[tute] of Tropical Medicine in Antw[erp] announced it had succeeded [in] isolating the virus, but had [not] identified it. It was not [a case] of Lassa fever, however. [An] epidemic of a similar "hae[mor]rhagic fever" has afflicted ne[igh]bouring Sudan.

India loan talks

Talks between the World B[ank] and India's Petroleum Ministry [on] a $400m. loan to finance the p[ipe]line network from the Bom[bay] High offshore field to the c[oast] are expected to begin next mo[nth], K. K. Sharma writes from [New] Delhi.

Seychelles oil

Eighteen oil companies h[ave] shown interest in oil explora[tion] of the seabed off the Seychel[les] islands, according to Presid[ent] James Mancham, Reuter repo[rts].

Indonesia guidelines

Indonesia has announced n[ew] economic guidelines designed [to] curb monopolies and ens[ure] fairer distribution of capi[tal], Reuter reports from Jakarta. [It] is also considering a possible b[an] on imports of goods which c[an] be obtained in sufficient quan[ti]ties domestically.

ON OTHER PAGES

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Last Wednesday's military take-over has opened up old sores in Thailand. **David Housego, our Asia Correspondent,** reports from Bangkok.

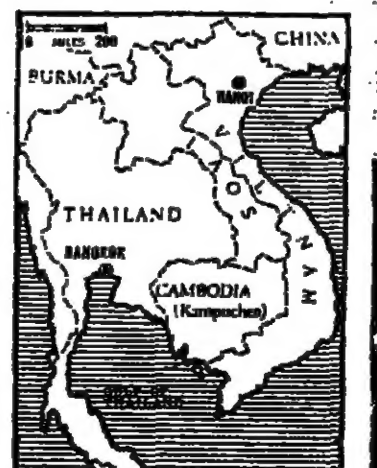
The King steps into the arena

WHEN THE KING called in his top military commanders a week ago to restore stability to a country that he felt was slipping into chaos, it was the classic action of a harassed leadership looking to the armed forces to pull it out of a mess. There is still a chance of Thailand achieving the orderly government he wants. But the military take-over has opened up old sores in the country and more sadly developed new rifts that will have repercussions throughout South East Asia. In the words of one diplomat, who has long argued the need for a strong regime to replace the ineffective coalitions that have ruled Thailand during the last three years of democracy, last Wednesday's coup was a "disaster."

The event that sparked it off was the return to Thailand on September 19 of the former military dictator, Field Marshal Thanom, posing as a devout Buddhist seeking to "claim merit" for his 91-year-old father. To university students and labour unions in particular, Marshal Thanom, who was expelled from the country on his downfall in 1973, is the symbol of an antiquated, repressive and corrupt regime.

His return, therefore, was like a red rag to a bull and predictably triggered off demonstrations by the student union whose anti-Thanom sentiments and fear of a revival of military rule were shared by many middle of the road officials and academics. Equally predictably such demonstrations were an incitement to the Right, who felt that the sacred institutions of monarchy, religion and nation were being undermined by a Communist minority taking advantage of weak democratic governments.

Tensions came to boiling point when a group of students hanged in effigy a mockup of the Crown Prince in the campus of Bangkok's Thammasat University. Units from ultra-Right-wing organisations such as Navapol, the Red Gaur (bull) youth movement and the village scouts moved in on the university inflamed by hysterical anti-Communist broadcasts put out by the semi-independent armed forces radio.



Left-wing students wounded during last week's confrontation at Bangkok's Thammasat University between police and students.

The tumult that followed resulted in lynchings and mutilations that have given the Right a blood lust and driven students, labourers and some middle of the road politicians and officials into the jungle. These are now potential recruits for the Communist insurgents. Thus the tragic legacy of Thammasat is that it has torn apart the educated strata of a society that could once count on a common culture outweighing political differences. The memory of the bloodletting at a university attended by children of the country's elite is likely to haunt the new regime.

After such ominous beginnings the Administration of Admiral Sangad, politician and a caretaker figure, would in any case have had an uphill task in forming a government of good and willing hearts to re-unite the country. But Bangkok is nightly adrift with rumours of army movements and counter coups indicative of the splits within the forces.

Politically ambitious officers such as General Chalard Hiranyasiri, the former Deputy Commander-in-Chief, and General Vitoon Yasawada, a member of the Supreme Command, have either been dismissed from active service or put out of harms way. General Vitoon has been posted to Japan where he will be responsible for Thai students.

The ultra Right in the army such as the armed forces or para military organisations like the Red Gaur or Navapol, which sprang from the counter insurgency operation, are pressing for tougher action against so-called "Communists." The Press yesterday reported the first terrorist activities since the coup which could either mean the beginning of renewed violence or that a pretext is being sought for an anti-Communist crackdown.

The King, who might have remained an arbiter above the political infighting, has now been drawn into the arena. He is blamed by the Left for allowing Marshal Thanom to stay. He is increasingly known to have taken the initiative in summoning Admiral Sangad, Air Marshal Kamol and General Kriangsak to the meeting on Wednesday October 6 that brought in martial law.

Because of the involvement of the armed forces radio station and the unnecessary brutality of the police in putting down the Thammasat riots, his name—albeit unjustly — has been tarnished. He has risked coming to the fore because he was increasingly worried by what he felt were the twin dangers of growing Communist infiltration of the Thai Press and student unions and of Vietnam's growing influence in the region.

Almost inevitably Hanoi is going to step up its support for the Communist insurgents as opponents of what it now considers a hostile regime that initially laid much of the blame for the Thammasat riots on Vietnamese agents. One of the few achievements of the civilian Government was to minimise tensions between the two states to the point at which Vietnam was about to open an embassy here. The prospect now is of a return to the divisions that separated Vietnam, Laos and Cambodia on the one hand and Thailand, Malaysia, Singapore and Indonesia on the other.

The tragedy of the political uncertainty ahead is that it comes at a time when the Thai economy had weathered remarkably well both the world recession and the loss of income that came from the withdrawal of the Americans from their bases here. GNP is expected to expand at about 6 per cent. this year. The deficit on the balance of payments should drop to $25m. fr[om] $143m. in 1975 with burgeoni[ng] exports of rice, sugar, tapio[ca] and rubber, while the level [of] imports is remaining steady.

What had come to a virt[ual] halt under the civilian gove[rn]ment was foreign investm[ent] which is at the base of t[he] country's potentially fast gro[w]ing mining and manufacturi[ng] sector. Foreign companies h[eld] off because they could not [get] decisions out of unstable civili[an] coalitions and because of labo[ur] agitation. But in spite of [the] official ban on strikes and wh[at] is expected to be a far mo[re] welcoming policy towards joi[nt] ventures, the political ris[ks] remain. For the moment, ther[e]fore, investment is not likely [to] be forthcoming.

The military are likely to st[ay] firmly to the fore of the ne[w] regime through the officer[s'] Administrative Reform Coun[cil] (ARC) in spite of the attem[pt] to give the Government a civili[an] image. Even by Thai standar[ds] it is well to the Right. Its fi[rst] priorities are to put down "Co[m]munism" and eliminate corru[p]tion—the latter mouthed [by] every new government but se[l]dom to little effect.

Since 1970 the number of Co[m]munist insurgents has doubl[ed] to over 8,000 with the main co[n]centrations being in the Nor[th] East and along the border wi[th] Cambodia. Only 95,000 peop[le] out of a population of 43m. a[re] said to live in Communist co[n]trolled areas.

Along with the steady grow[th] of the insurgency movement [in] the countryside, the regime [is] also apprehensive of urban te[r]rorism. Army patrols are co[n]stantly to be seen in Bangk[ok] and the authorities have warne[d] against political elements "wh[o] have lost power" trying [to] instigate unrest. In what is [a] sensible step to remove at lea[st] one of the dangers, the ne[w] regime has shown its desire [to] patch up the border dispute wit[h] Malaysia on which some 2,000 in[s]urgents have thrived. Bu[t] should the Right-wing extremist[s] get the upper hand in th[e] regime and carry through [a] witch hunt of their opponent[s] the Communists will not hav[e] much trouble in picking up stil[l] more recruits.

WORLD TRADE NEWS

Japan fears U.S. reaction to EEC steel proposal

BY CHARLES SMITH

TOKYO, Oct. 13.

THE EEC's proposal to send one of its top steel bureaucrats, Mr. Johannes Patrick, to discuss the rising level of Japanese steel exports to Europe is "unnecessary" in the view of senior officials at the Ministry of International Trade and Industry.

The officials, who stressed they had not yet received any formal approach from the EEC, said today that a visit by Mr. Petrick would have no point of view of the fact that the regular "high level" Japanese-EEC talks are in any case due to be held in November.

The Japanese are also taking an extremely chilly view of EEC allegations that Japan is causing trouble in the EEC by "excessive" steel exports. Japan, it is stressed, is keeping well within the voluntary limit on exports to the EEC which was agreed upon late in 1975. The ceiling, however (which is set at 1.22m. tons for 1976) applies only to the six major Japanese integrated steel makers and does not bind small Japanese companies.

Nor do the Japanese feel they are under obligation to restrain their exports to non-EEC countries in Western Europe such as Switzerland or Sweden. Exports to Western Europe other than the EEC have risen by 75 per cent. so far this year and are now running at almost twice the level of exports to the EEC itself.

The Japanese view of last week's flurry of activity in Brussels over steel exports is that Europe is partly if not largely to blame for its problems because European steel makers misjudged the world market earlier this year and embarked on premature increases in production. EEC steel output in June, July and August was up by 7.3 per cent., 24.6 per cent. and 29.8 per cent., respectively, over the same months of 1975, according to statistics available in Tokyo.

The major Japanese steelmakers, by contrast, were producing 4 per cent. less than a year ago in June and increased their output in July and August by 5.4 per cent. and 7.5 per cent., respectively.

Japanese steel production is regulated on a quarterly basis by guidelines set by MITI after consultation with the major companies. The Japanese quite obviously feel that some of the recent friction with Europe could have been averted if the EEC adopted a more systematic approach to regulating its steel output.

The actual statistics for Japanese steel exports to the European Nine so far this year show exports reaching a total of 850,000 tons (of ordinary steel) for the first seven months of the year, which works out at an annual rate of 1.46m. tons for the whole year.

This is some 200,000 tons less than the 1975 export figure, when there was no voluntary control on exports to Europe. Exports by the six major companies alone are currently running at an annual rate of about 960,000 tons, which is well within the agreed ceiling of 1.22m. tons.

Japanese steel sources (in the major companies) say it is "regrettable" that smaller companies are trying to maximise their European sales at present. It is stressed, however, that the small companies are not amenable to control by the Government and are currently facing severe financial problems because of the length of Japan's domestic recession.

Behind Japan's cold attitude to European approaches is an acute fear that further controls on Japanese steel exports to Europe may spark off a counter-attack by the U.S. steel industry against Japanese exports.

The American Iron and Steel Institute (AISI) actually alleged in a letter sent to President Ford this week that Japan and the EEC have "conspired" to bring about an unfair increase in Japanese steel exports to the U.S. (up by 53 per cent. this year compared with the same period of 1975).

Because of the AISI complaint, Japan is almost certain to have to slow down its shipments to America even if it accepts nothing so concrete as a voluntary control arrangement.

The Japanese say that if a voluntary control were imposed on Japanese exports to the U.S. it would be natural and logical for the U.S. to ask for controls by Europe as well.

The EEC representative office in Tokyo, which is the nearest thing the Community has to an Embassy in Japan, appears to have been taken by surprise by statements in Brussels on the Petrick visit. Later it was told that Mr. Petrick, accompanied by an official of the Community's External Affairs Directorate, might come to Japan before the end of October on a "fact finding" mission connected with steel.

The EEC explains the need for the Petrick mission by saying that Japan declined a request to bring forward a meeting of the regular "high level" steel talks

BICC wins £20m. order in Nigeria

BICC HAS just signed a £20m contract with the Nigerian Ministry of Communications for the supply and installation of telephone cable networks in three towns of Agbor, Benin City and Warri, situated in the oil producing mid-west region of Nigeria. The work will be completed in about two and a half years.

The contract will be jointly managed by BICC Telecommunication Cables and Balfour Kilpatrick International, both members of the BICC group. Survey work, manufacture, jointing and testing of the cables will be carried out by the former. While the other company will be responsible for the complete underground duct and trench system, in which the cables will be installed. BICC has been a major supplier of telephone cables to Nigeria since 1965.

Meanwhile two large contracts have been received by the high voltage switchgear division of GEC Switchgear, for the supply of 330,000 volt substation equipment to Nigeria and Zambia.

The Nigerian order, worth more than £5m., has been placed by the National Electric Power Authority of Nigeria for switchgear to extend three of their existing substations, at Benin, Kaduna, and Jebba, the original equipment having been supplied by the company in 1966, with subsequent extensions in 1973 and 1974.

Austria suffers trade setback

BY PAUL LENDVAI

VIENNA, Oct. 13.

AFTER a period of record growth rates, Austria's crucial East European trade suffered sales setbacks during the first half of this year.

Compared with the same period last year, exports to Eastern Europe were down by 3.5 per cent. As the Soviet bloc accounts for 17 per cent. of the overall Austrian exports, the downward trend, already evident in the second half of 1975, is causing increasing concern here.

Substantial credit lines granted by the Export Control Bank appears to have had little effect on the sales prospects with the exception of Poland.

Due to major co-operation agreements, exports to Poland jumped during the second quarter by 24 per cent. this year. However, sales in the rest of the bloc stagnated. In East Germany there was a steep fall of 22 per cent.

Slightly better results in the second quarter are regarded as seasonally distorted since the same quarter last year was already reflecting a less rapid growth than in the first quarter of 1975.

Austrian exports to the Communist East were rising rapidly until mid-1975. Thus, in 1974 the growth of sales reached a staggering rate of 66 per cent and even last year the increase was a respectable 11 per cent.

Warning on chemicals

BY RHYS DAVID

EUROPE'S chemical companies may lose some ground internationally over the next few years, with the U.S. producers and newer manufacturers in the Middle East and South America capturing a larger share of the market, a recently published directory of the industry claims.

It points out that U.S. companies appear to have weathered the recession of the past two years better than their European rivals and have been able to step up their investment again this year.

The directory, Who is Who in the European Chemical Industry, also forecasts increased government involvement in the industry worldwide because of the difficulties of funding new projects, and more take-overs and joint ventures.

With less money available to expand facilities, the survey also predicts that a number of products may be less freely obtainable than in the past, and that spending will instead be concentrated on rationalisation, modernisation and eliminating bottlenecks in existing plants.

Computers for China

By Our Own Correspondent

TOKYO, Oct. 13.

HITACHI confirmed to-day that it has secured an order for three large computers from the Chinese Meteorological Agency—the first instance of a Japanese company selling computers to China. The order is for one M 170 machine, equivalent in size to IBM's 370-158, and two M 160 Mark 11 computers, equivalent to IBM's 370-148.

IBM itself has already exported 370-148 machines to China and had the sales approved by Cocom, the Paris-based international committee which vets strategically sensitive exports to the Communist bloc.

Hitachi is therefore certain of getting Cocom approval for the M 160 Mark 11 sales. The M 170, however, would be the largest computer delivered to China by a "Western" manufacturer so that the Cocom decision on it will be watched with interest.

Hitachi expects he decision to take between three and six months and says, for the record, that it does not anticipate any lobbying, but has so far concentrated on other areas than meteorology. Hitachi supplied computers for the Japanese Meteorological Service and was thus a natural selection for this particular contract in China.

Hitachi expects the decision to which is worth Y2.5bn. (over £5m.), includes the provision of software and the training of Chinese technicians.

Output revised upwards

TOKYO, Oct. 13.

THE JAPANESE Machinery Federation has revised upwards its estimate of the value of machinery production in Japan during the current fiscal year, mainly in view of brisk exports of cars and electric appliances.

The revised projection provides for production totalling Y30,895bn., an increase of 12.5 per cent. over the last fiscal year, and exports totalling Y11,323bn., an increase of 21.4 per cent.

The federation's previous projection made at the beginning of the current fiscal year, provided for increases of 8.7 per cent. for production and of 12.9 per cent. for exports.

Exports of electric machinery, mainly radios, colour TV sets, and sound equipment, are expected to rise by 32.7 per cent. to Y3,051bn., while those of transport machinery, chiefly cars, will increase 21.4 per cent. to Y5,627bn.

Exports of general machinery, precision machinery, and castings are expected to increase by a range of 5.5 per cent. to 13.4 per cent.

The federation said, however, the pace of increase in Japan's machinery exports, which rose sharply during the first-half of the current fiscal year, would probably slow down in its second half.—Reuter.

Sundstrand in Singapore

SUNDSTRAND PACIFIC, a wholly owned subsidiary of Sundstrand Corporation of the U.S., has opened a S$15m. plant in Singapore to manufacture precision aircraft components, our Singapore correspondent reports.

The plant, which is also the first in South-East Asia to produce constant-speed drives (CSD) systems for aircraft applications is expected to produce 90 per cent. of the CSD parts and components supplied by Sundstrand to the world market by 1980.

At present, all products are flown back to the company's U.S. headquarters for distribution to customers after approval by the American Federal Aircraft Administration. Sundstrand is presently working with the FAA to secure its recognition of the Singapore plant as an approved manufacturer of CSD components and spare parts. It expects to obtain this approval "next year" when it would then be able to distribute products directly from Singapore.

Loan for Mexico

Lazard Brothers has signed a £1.8m. loan agreement with Comision Federal de Electricidad of Mexico to provide export finance in support of a contract to supply 14 reactors won by Parsons Peebles Power Transformers.

HOME NEWS

Plan to save jobs in steel industry

BY ROY HODSON

A PLAN to save the steel plant industry from heavy unemployment because of a shortage of new orders was put forward by Mr. John Eccles, president of the Metallurgical Plant Makers Association and chairman of Head Wrightson, yesterday.

He proposed to a committee of MPs that £100m. of the work contained in the British Steel Corporation's forward investment programme should be brought forward so that his industry can begin manufacturing equipment during the coming winter.

The all-party Commons select committee which is inquiring into the BSC, heard Mr. Eccles warn that there would be up to 30,000 jobs at risk among all the British companies concerned with building steel works unless prompt action is taken. Among his own member-companies, up to 10,000 jobs could be lost.

Mr. Eccles' predictions were based on the prospect of the Government's cutting the BSC forward investment programme by anything up to 50 per cent. as part of public-sector economies.

The plant makers believed that the BSC capital programme was certain to decline significantly. They desperately wanted the Government to sanction the ordering of the long-awaited £500m. 56-in-wide strip mill at Port Talbot, South Wales.

Until it was built, British plant makers would find it difficult to export modern wide strip mills, in the absence of such a mill working in Britain.

Expensive

But if the money was just not available they would, on balance, prefer the Port Talbot scheme to be deferred, in order to go ahead with the many smaller BSC schemes for improving existing works.

The small schemes would provide much-needed work quickly for the British steel plant makers, now working at only three-quarters capacity, and would enable plant companies to keep their work forces intact.

Asked why some British-built plants seemed expensive compared with foreign projects, Mr. Eccles told the committee that his company and other major construction firms were all "in deep trouble" over the management of large site construction projects.

The situation was "disastrous" at the Redcar, Teesside, steelworks site where there had been a "sad history" of disruption because of stoppages and demarcation troubles.

The employers and the unions were trying to thrash out a peace formula for the Redcar site at national level. But the troubles meant serious delays to the BSC programme to build Britain's biggest steel-making complex there.

He alleged the social contract was not being observed on major construction sites all over the country.

"We can quote exmaples of employees asking for £20, £30 or £40-a-week rises and being willing to support their claims with industrial action. This is true of not only steel plant sites but power station sites as well."

The steel plantmakers found themselves carrying an unquantifiable risk on home contracts because of the pay demands.

The industry had not yet managed to reach agreement between the BSC and the plantmakers on what was the right approach to use to manage a big construction site.

Call for review of nuclear reactors

By David Fishlock, Science Editor

THE NATIONAL Nuclear Corporation has proposed to the Government that it should carry out a full assessment of three nuclear reactors—two British and one foreign-designed—in light of the changed circumstances facing the industry.

Lord Aldington, chairman of the National Nuclear Corporation, told a select committee of MPs yesterday that such a study would take about six months. It would be caried out by its executive arm, the Nuclear Power Company.

The NPC would simultaneously work with the nuclear manufacturing industry to ascertain the consequences of choosing each reactor—the "steamer" (steam-generating heavy water) reactor, the advanced gas-cooled reactor (AGR) or the pressurised water reactor (PWR).

The National Nuclear Corporation, Britain's nuclear reactor design and construction company, is owned 35 per cent. by the Government (U.K. Atomic Energy Authority), 30 per cent. by GEC and 35 per cent. by British Nuclear Holdings, a consortium of industrial companies. The management of NPC is supervised by GEC.

Lord Aldington, appearing with Dr. N. L. Franklin, chairman and chief executive of NPC, was answering MPs' questions about the recent advice of Sir John Hill, the Government's chief nuclear adviser, that the Government should reconsider its choice in 1974 of the "steamer"

Refuted

Firmly refuting suggestions from the select committee that the nuclear industry had been "engaged in backstairs wheeling and dealing" to challenge the decision, Lord Aldington said he believed it was "not unreasonable" to review the decision at this stage, before a lot more money was spent. Those who had raised the question had a public duty to report progress.

He said Mr. Anthony Wedgwood Benn, Secretary for Energy, had asked many questions following Sir John's advice, and he believed that the way to obtain good answers was through the review proposed.

Lord Aldington had previously emphasised to the MPs that he was a Government appointee to the corporation, not a GEC appointee, and was appearing before them in that role. He declined to answer questions on behalf of GEC, of which he is deputy chairman.

Benn pressing oil companies on participation

BY RAY DAFTER, ENERGY CORRESPONDENT

OIL COMPANIES seeking new offshore exploration licences are coming under increasing Government pressure to agree to State participation in existing or future commercial oil fields.

Mr. Anthony Wedgwood Benn, Energy Secretary, is writing to 50 of the 133 companies applying for acreage under the fifth round of licences asking for their attitudes to participation in existing finds. At the same time, he is seeking to clarify companies' attitudes should new discoveries be made under past licensing rounds.

He is reminding the applicants that one of the conditions of the fifth round concerns a company's willingness to disscuss meaningfully the issue of State participation.

As a result, the letters can be regarded as a re-emphasis of the Government's determination to press through its participation policy.

It is understood that Shell and Esso will be among the recipients of letters, although both companies have started talks as a prelude to agreeing to the principle of participation. The Department of Energy said it was anxious to determine the attitude of companies to participation in fields that have not yet been declared commercial.

An agreement with Shell and Esso, two of the major North Sea operators, is seen as a cornerstone in the Government's participation plans. Both companies have made it clear that they are uneasy about losing security of feedstock needed to meet their internal demand and the needs of their customers.

Mr. Howard Kauffmann, president of Esso's parent, the Exxon group, said last week that the company's refusal to agree to participation to date, might weigh against its chance of gaining new licences although, he added: "It would be improper to think that we have been threatened."

Fifty of the 71 blocks and part-blocks on offer are being sought by the companies although most of the interest centres on about 10 concessions. Each of these have attracted between 11 and 27 applications.

● The first comprehensive training standards for commercial deep-water divers were issued yesterday. The standards which do not have legal backing, result from 12 months of co-operation between the industry, the Government's Manpower Services Commission, and the underwater training centre at Fort William.

Building costs 'could rise 50% in year'

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

BUILDING PRICES could jump by as much as 50 per cent. in one year as soon as the present recession in the construction industry is over, Mr. Frank Graves, the quantity surveyor who acted as project controller during the development of the National Exhibition Centre, warned last night.

Speaking at the Royal Institution of Chartered Surveyors in London he told an audience drawn from the building industry, that contractors would be forced to increase costs by that much to offset the erosion of profit margins experienced during the present downturn.

For that reason, the industrial client was in an excellent position: if he was contemplating development and should build now rather than later if he wished to save money.

"If he waits until the nation has fully recoverd from its present slump the industrialist will inevitably face much higher prices and the possibility of a late start on his building."

Mr. Graves urged industry and commerce to move forward rapidly in the planning and building of new factories, warehouses and offices "while the nation has time and the construction industry is more able to cope."

CBI and TUC list imports they feel should be cut

BY ADRIAN HAMILTON

THE CBI and TUC have urged the Government to take action to reduce imports. The sectors singled out for consideration are electronics, (such as components and television sets): cutlery, footwear, motor cars, paper and board.

In urging action, they suggest interpreting obligations under the Treaty of Rome and the GATT as realistically as possible, rather than going further—as the TUC might have wished—to impose unilateral controls through import deposits, quotas or other action.

The kind of action to be pursued is seen as more vigorous anti-dumping moves; re-negotiation of the Multi-Fibre Arrangement; reform of the safeguard clause of the GATT agreement, and an EEC initiative as far as Japanese trade is concerned.

More broadly, they support a sector by sector approach by the industrial strategy working parties pursuing targets for import penetration, and for U.K. shares of overseas markets, to highlight the implications for investment, manpower and industrial performance.

In a memorandum they suggest moves, with "a large degree of international acceptance" to revise existing restraints on sensitive imports which "tie sales to current levels, when it is clear that these are too high to permit a return to viability by some industries with a stagnant home market.

"For example, existing restraints on Comecon footwear have been agreed in relation to 1974, a year of very high imports."

The GATT Multi-Fibre Arrangement (MFA), the memorandum argues, was also inadequate to meet the most severe recession in textiles and clothing since the Second World War.

The situation had been made worse by the "failure of the EEC to introduce quota restraints rapidly on major low-cost suppliers (which have) enabled them to build up abnormally high performance levels, with the result that parts of our industries have suffered serious damage.

"In these circumstances," it goes on, "a dual approach to the import problem of the textile and clothing industries is needed. In the short-term Government must use the existing safeguards in the MFA to their fullest extent.

"Secondly, the Government should seek amendment of the MFA in the negotiations over the form of arrangement for the period after 1977 when the current MFA expires."

On the issue of anti-dumping, the memorandum states that "the Government must further improve the speed and operation of anti-dumping procedures: a change of emphasis is needed in favour of U.K. industries threatened by unfair competition and of shifting the burden of proof to the supplier."

The Government should use provisional duty orders more often; should introduce surveillance licensing whenever it accepted a case for investigation; and should insist on the importer's providing information on the home market price of the goods. In addition, the Government should be more flexible in its interpretation of the criteria for anti-dumping actions.

On the question of current GATT rules, the CBI and TUC agree that the U.K. should give priority in the current round of talks to the reform of safeguard clause XIX to allow "injurious imports to be controlled on a country by country basis.

"A reformed safeguard clause should permit the selective use of protection against offending countries, subject to agreed rules and with multilateral surveillance where appropriate.

"Such reforms would make the safeguard clause more readily usable and also reduce the danger of retalisation by supplier countries, which is a built-in right in the current form of the Article."

Editorial comment, Page 20

Seat-belt makers expect new laws will help business

BY IAN HARGREAVES, INDUSTRIAL STAFF

SEAT-BELT manufacturers are looking forward to a dual stimulus for their U.K. market as the Bill to make belt-wearing compulsory enters its final stages and MoT testing standards are widened to include belts.

Of most immediate concern is the Road Traffic (Seat Belts) Bill, 1976, due to resume its report stage and Third Reading in the Commons to-day. If, as expected, it successfully passes through a crowded Parliamentary timetable, wearing of belts could be compulsory in most vehicles by the middle of next year.

The delay in its implementation is likely because even when the Bill has received the Royal Assent the Government has pledged that there will be a further period of three months' consultation

In addition, the Government has tabled an amendment to the Bill guaranteeing that a draft of the initial regulations (the Bill itself is for general powers only) will be laid before Parliament and approved by both Houses before it becomes statutory. There will be a period of publicity before the law becomes operative.

Because of a series of amendments to be taken to-day, it is not possible to predict wholly the shape of the final legislation, though it is unlikely that moves to include exemption on conscientious grounds will be accepted.

Although the two main manufacturers of seatbelts in the U.K., Britax and Kangol, are anxious to see this much-deferred legislation safely on the statute book, they are cautious about the commercial opportunities it will create because between 90 and 95 per cent. of all U.K. vehicles are already fitted with belts.

They believe, however, that when motorists and their front-seat passengers are forced to buckle up on pain of what will probably be a £6 fixed penalty, there will be a flurry of business in replacing damaged belts and in fitting the more comfortable, and of course more expensive, inertia reel belts in place of static fittings.

But before seat belt-wearing finally becomes compulsory there will have been another change in motoring law likely to improve manufacturers' prospects. This is the new MoT test, extended to include seat belts from January 1.

Britax estimates, on the basis of private surveys, that about 5 per cent of all vehicles going for MoT tests have defective belts

CONTRACTS AND TENDERS

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HOME NEWS

Further setback for Nigg oil refinery plan

BY RAY PERMAN, SCOTTISH CORRESPONDENT

CROMARTY PETROLEUM'S plans to build an oil refinery at Nigg, Easter Ross, has received another setback with continued opposition by Labour MPs to special legislation enabling the company to buy land needed for the project compulsorily.

A confirmation order allowing the company, owned by the U.S. shipping interests of Mr. Daniel Ludwig, to buy 47 acres of foreshore was formally blocked in the Commons on Tuesday by Mr. Jeff Rooker, Perry Barr, Birmingham, and Mr. Tam Dalyell, West Lothian.

The Government must find time for a debate on the Bill before the end of the session in a month's time. To avoid failing and undergoing its Commons stages again next year, the Bill must pass through the Lords by that time.

Cromarty Petroleum said that it was concerned that the Government should have time to debate the Bill before the end of the session, but "had learnt from experience not to predict the outcome of events in Parliament."

Lease rejected

The company has already said that the area of beach it is seeking to buy is vital to the project, giving the refinery access to the deep-water channel of the Cromarty Firth. It has turned down an offer of a lease from the landowner, and has said it is prepared to wait to acquire the land, but if it fails to do so may be forced to abandon the project.

Cromarty already owns about 600 acres at Nigg. The latest estimate of the cost of the proposed refinery is £180m.

An application has already been made to the Highland Regional Council for a postponement to the deadlines set as part of the refinery's planning permission. The company was to submit a master plan by next month, but has asked for a stay of execution of at least four months.

The plan has stirred up more than the usual amount of controversy over a new development, both locally—where there is a continuing battle between groups who want the jobs a refinery would bring and those who see it as an environmental disaster—and nationally. Large oil companies have not disguised their hostility to the proposed refinery.

The Scottish Office said yesterday that the Government had not yet decided if it could make room for a debate on the scheme in its legislative programme.

Cunard deal for Maritime ships in doubt

BY JOHN WYLES, SHIPPING CORRESPONDENT

DOUBTS AROSE last night about whether Cunard Steam Ship Company will go ahead with its $102m. ship purchase deal with Maritime Fruit Carriers following a High Court judgment which reduced the number of vessels available from 12 to 10.

Officials of Cunard's parent company, Trafalgar House Investments will consider the situation this morning. Cunard hoped to obtain a minimum of 11 of Maritime's U.K. registered refrigerated cargo vessels. It could opt to withdraw from the deal now that this no longer seems possible.

Mr. Victor Matthews, managing director of Trafalgar House and chairman of Cunard, said last night that the High Court ruling was "a bit of a shock." He added: "We will have to consider our position, and I have to say there is some doubt whether we will go on."

Cunard was loath to lose the two vessels, London Clipper and Maranga. Withdrawal from the deal would destroy hopes of an orderly disposal of Maritime's U.K.-registered ships, and would be a severe blow to the Government's wish to keep the ships under the British flag.

It would also confound London shipping circles, where opinion was still firm last night that, having agreed charter terms with Sweden's Salen shipping group, Cunard will settle for ten ships rather than none.

No shortage

There would not, however, be any shortage of prospective buyers for the vessels—as the circumstances giving rise to the High Court case have shown. The hearing, which started last Wednesday, turned on the right of a group of Maritime's creditors to sell the two ships, without agreement in writing of those holding the first mortgages on the vessels.

Through its subsidiaries, Maritime argued in Court that Nor-Garant (U.K.) and Norwic Bank had exceeded their powers in selling the ships to a German shipowner, Herr Willy Bruns.

Mr. Justice Goulding accepted this argument, but held that the mortgagees had shown that they had found a willing purchaser for each ship, at a proper price in a transaction which could be completed simply and immediately. The Cunard deal was very complicated and far from certain, he said.

If the sale of the ships to Herr Bruns were stopped, the mortgagees could face expensive litigation or arbitration, added the Judge, who ruled that a temporary injunction delaying the sales would remain in force until 4 pm to-day while the ships' owners decided whether to appeal.

Explations

● Four possible explanations for the loss of the Norwegian supertanker, the Berge Istra, in the Pacific at the end of December, were outlined to a conference in London yesterday.

The 224,000-deadweight ton ore/oil carrier sank after three explosions. Only two seamen survived and their account of the disaster, which led to a near-record insurance payment of £13.5m., formed the basis for a detailed investigation carried out by the vessel's Norwegian owners, Sigval Bergeson

Captain Ingolf Stangeland, Bergeson's maritime operations manager, declined to say which theory he thought the most probable. Although one, a major explosion in the engine room, seemed less likely than the others.

McDonnell Douglas ready for links with U.K. and Europe

BY MICHAEL DONNE AEROSPACE CORRESPONDENT

McDONNELL DOUGLAS of the U.S. is ready to collaborate with the U.K. and other European aerospace industries on the next generation of civil aircraft, and is prepared to hold further talks on any venture of mutual interest.

Mr. Sanford McDonnell, president of the company, made this clear to Mr James Callaghan, the Prime Minister, in a meeting yesterday and has also stressed the point in discussions over the past few days with Mr. Gerald Kaufman, Minister for Aerospace, and industry leaders.

Mr. McDonnell goes to Paris to-day for discussions with M. Marcel Cavaillé, the French Transport Minister, before returning to the U.S.

His Paris talks will cover next week's major airline meeting in Long Beach, California, at which over 100 major airlines will discuss the possibilities for a future 160/180-seat airliner for medium-range routes.

What emerges from this week's events is that McDonnell Douglas has no intention of being left behind Boeing in the race to develop a new civil airliner for the future, and in fixing international partners in such a venture.

Consortium

During his brief European tour, Mr. McDonnell has stressed that despite the uncertain attitude of airlines on aircraft purchasing, which precludes any early start to manufacturing ventures, there should be widespread discussion of the possible options.

The aim is to ensure that when the airline market does materialise, the major manufacturers are ready with the right designs to meet it. McDonnell Douglas is thus taking the initiative in trying to clear some of the uncertainties, and this is one of the reasons for the October 21-23 meeting in Long Beach.

While ostensibly based on the proposed French Dassault-Aérospatiale Mercure 200 project — recently outlined by the French Government and which tentatively includes a 15 per cent. participation by McDonnell Douglas — the U.S. company sees the situation in much wider terms.

It does not yet regard itself as being in any way committed to the Mercure 200, and in the event may not even become a member of the proposed Dassault-Aérospatiale consortium that may build it.

As a result, the Long Beach meeting will range widely over the possibilities of other types of aircraft in the broad 160-180 seat category, other combinations of manufacturers, and the various engine options that are available.

The meeting will be attended by representatives of the major engine companies, incl Rolls-Royce (1971), General tric, Pratt and Whitney CFM-International (which the new CFM-56 engine nated for the Mercure 200

The U.K. Department of try will be represented, as the British Aerospace Orga Committee and the Fr Dutch and West German tries.

McDonnell Douglas sees meeting as spearheading a campaign, by the U.S. com to meet the airlines and a the views they may expre Long Beach.

The meeting will also those airlines a much better of what their rivals are thin so far as future equipme concerned.

McDonnell Douglas will it clear that it sees a rol two major new airliners—a 180 seater, and a larger 20 seater to complement it, could be either its own DC project, or a derivative of European A-300 Airbus, on it is holding discussions Airbus Industrie of France.

New aerospace talks soo

FURTHER DISCUSSIONS on possible Anglo-French collaboration on future aerospace programmes will be held in London on November 2 between Mr. Gerald Kaufman, Aerospace Minister, and M. Marcel Cavaillé, French Transport Minister.

The Department of Industry said yesterday that the Ministers would cover the progress and future of the Concorde project, possible long-term development of an Advanced Supersonic Transport, and colla tion on subsonic civil airc

Described as one of a re series of meetings between Anglo-French Aviation M ters, it is, however, a cr one, in that it could sett number of outstanding issu

The Ministers, for exa could agree to set up a programme on the Adva Supersonic Transport, establish clearer plans future collaboration on new liners.

TV stations pay 14% more to IBA

BY ARTHUR SANDLES

BRITAIN'S commercial television stations have had to pay a 14 per cent. increase in their rental to the Independent Broadcasting Authority for the period 1976-79 because the authority did not have enough money for its asset replacement reserve. The rents have gone up from about £14.5m. to £16.5m. a year.

The annual report and accounts of the IBA, published yesterday, said it was the view of the auditors and advisors that the rentals should go up.

The accounts show that while in 1974-75 only three employees of the IBA were earning more than £10,000 a year, that number had risen to 21 in 1975-76. In 1974-75 only one person was earning more than £17,000. Last year there were four.

The revenue account for television showed a surplus of £2.63m., a fall of £2.32m. over the previous year, and for radio a deficit of £100,000, compared with a deficit of £11,000 a year before. Three radio companies, including London Broadcasting, had their rentals waived or deferred.

ITV has had a successful year financially, having been able to maintain increased advertising rates in spite of arguments over the size of the audience.

The IBA annual report says that although fears of lower revenue were common at the start of the year, by March advertising revenue had increased by about 20 per cent. compared with the previous year. Costs had also gone up, but not as fast as advertising income.

Toyota depot go-ahead

TOYOTA, the Japanese car company, was yesterday given the final go-ahead for its plan for a £5m. import centre at Bristol's West Dock.

Avon County Council's planning and highways committee approved Toyota's planning application for a 40-acre site for car de-waxing and pre-delivery inspection.

Toyota will be the £38m dock's first major customer. Its application was at the centre of a row when Mr. Eric Varley, Industry Secretary, refused an industrial development certificate for the 15,000 sq. ft. development. He wanted the centre in an area of high unemployment.

But Toyota came back with a new application — for a development 10 sq ft smaller than the original proposal, which it claimed would not require a certificate.

BUPA opens in Hong Kong

THE BRITISH United Provident Association (BUPA) has opened a subsidiary company in Hong Kong. A range of schemes has been designed by the group to suit local conditions.

Companies' concern increases over new accounting rules

BY MICHAEL LAFFERTY AND MARGARET REID

CONCERN CONTINUES to grow among some companies about the new accounting rules on the treatment of stocks and depreciation. The Stock Exchange is also taking a close interest in the affair.

The protests have followed the withdrawal on Tuesday of the accounting bodies' planned rules on deferred tax

There have been protests that the application of these new rules will have some troublesome and unforeseen consequences for the companies likely to be most affected.

For instance, the proposed standard on depreciation would knock the profits of property companies since it would require them to provide depreciation on buildings which is not the present general practice.

Some construction groups with long-term contracts are seriously concerned about the implications of the new standard ruling on stocks and work-in-progress.

The standard, by requiring profits to be taken in over the life of long-term contracts rather than on completion, would mean that taxes on those profits would be payable several years earlier than under the present sytem.

This is causing more anxiety because the Inland Revenue has already said that it intends to apply the new ruling in making tax assessments.

George Wimpey, the major building concern, said yesterday that it might have to pay several millions of pounds more in taxes next year if it applied the standard to its next accounts, while Crown House, another contracting concern, expects to have its tax bill increased by between £250.00 and £500,000.

The stocks standard applies to accounting periods after January, 1976, and the proposed depreciation standard is expected to be issued in February, 1977.

The disquiet has been emerging in representations from various quarters to the accountancy bodies, which are source of the accour standards.

A close interest in dev ments in the field is being t by the Stock Exchange w makes compliance with accounting standards a condi for listing and quoting the sh of companies.

There has been some anx at the Exchange that cer changes proposed in forthcor accounting standards w bear too heavily or unreason on companies, and lead to creased qualifications in audi reports if there was not compliance.

The Stock Exchange has seven years backed the pr sion's accounting standards. is now anxious to satisfy that any new standards are li to secure general acceptance a compliance.

These views of the St Exchange have been made ve clear to the accountancy bodi

Recession warning by architects

By Michael Cassell

AN "ACCELERATING decline" in architects' workload as the recession in construction continues was reported yesterday by the Royal Institute of British Architects.

The Institute's latest survey shows that well over half of architectural practices were winning less work in the half-year ending last month than in the previous six months.

Mr Keith Ingham, of the Institute, said there would be "complete disintegration of the construction industry" and "an appalling growth in unemployment" if a survival baseload were not prepared at once by the Government.

The state of the building industry will be discussed at the Building and Civil Engineering Industries' National Consultative Council meeting in London to-day.

Representatives from all sectors of the industry will seek a "national survival policy" from Mr. Reg Freeson, Minister for Housing and Construction.

The Building and Civil Engineering Economic Development Committee said this week that the fall in work levels for the construction industries could seriously impair any general manufacturing upturn.

It forecast that building output would continue to fall until 1978. By next year work levels could be 20 per cent. below 1973 levels.

'Effort wasted on land laws'

THERE is a vital need for a new consensus about land laws, Mr. John Boynton, the new president of the Royal Town Planning Institute, said in London last night.

He told institute members that he was "appalled at the waste of effort, the uncertainties and the lack of stability which have followed the frequent changes in the law governing land values and betterment."

It was time that the political parties made some effort to reach a consensus on what the law should be, or at least the principles upon which it should be based.

Robens wants crisis Council of State

BY JAMES McDONALD

BRITAIN needed to-day, not a political coalition but "for at least five years a Council of State, composed of all parties and of none, and of the trade union and business world," Lord Robens, chairman of Vickers and a former chairman of the National Coal Board, said in London last night

Delivering the 1976 Ashbridge Lecture to industrial and financial leaders he added: "Such a government could identify very clearly what was required to be done to put the country back on to its feet. They would require to forego their political theories and concentrate on a single aim."

The country needed good, efficient, business management he said. "When the economic battle is won we might be able to afford to return to political dog-fighti but at least we would be fi ing over the division of a la cake . ."

Emotive phrases like "the l haul," the "end of the ro and "the crunch" should consigned to the litter bin, Lord Robens. However, doubted whether this could done under party governme Bitterness between the par was too great. While he sure unions would "work w any government in power," t were "likely to work m closely with a Labour gove ment."

There were a number of f ourable factors facing Brit to-day. Emphasis, he stress was on public expenditure wh it should be on increas wealth.

Aluminium demand recovery slows

BY RHYS DAVID

THE RATE of recovery in aluminium demand is slowing after the gains recorded earlier this year, according to the latest Aluminium Federation figures.

With holidays depressing demand, total despatches of rolled products in August were 14,297 tonnes, an improvement on the 11,313 tonne figure recorded 12 months before but down on the 16,316 tonnes of July and the 19,951 tonnes of June. In extruded products, despatches were down to 11,716 tonnes in August, against 10,303 tones a year before, 13,949 tonnes in July, and 17,093 tonnes in June.

Taking the past three months as a whole, sales were again down compared with the preceding three-month period. Average monthly despatches of extruded products amounted to 14,252 tonnes in June-August, against 15,727 tonnes in the March-May quarter, and 12,134 tonnes in June-August last year. Monthly despatches of rolled products averaged 16,854 tonnes, against 19,000 tonnes in the preceding three months and 15,237 tonnes in a year before.

Despatches of primary aluminium were also do averaging 46,744 tonnes over three months June-August, co pared with 56,427 tonnes in preceding three months, a 38,418 tonnes in the June-Aug quarter last year.

The lower level of shipme is accounted for partly by lower level of activity in summer and probably also the return to more nor patterns of ordering after period of restocking earlier year.

Despatches of rolled produ in the first eight months of t year are still some 18 per ce higher than the same period l year, totalling about 140,0 tonnes. Despatches of extrud products at 120,000 tonnes are about 15 per cent. on the sa period last year.

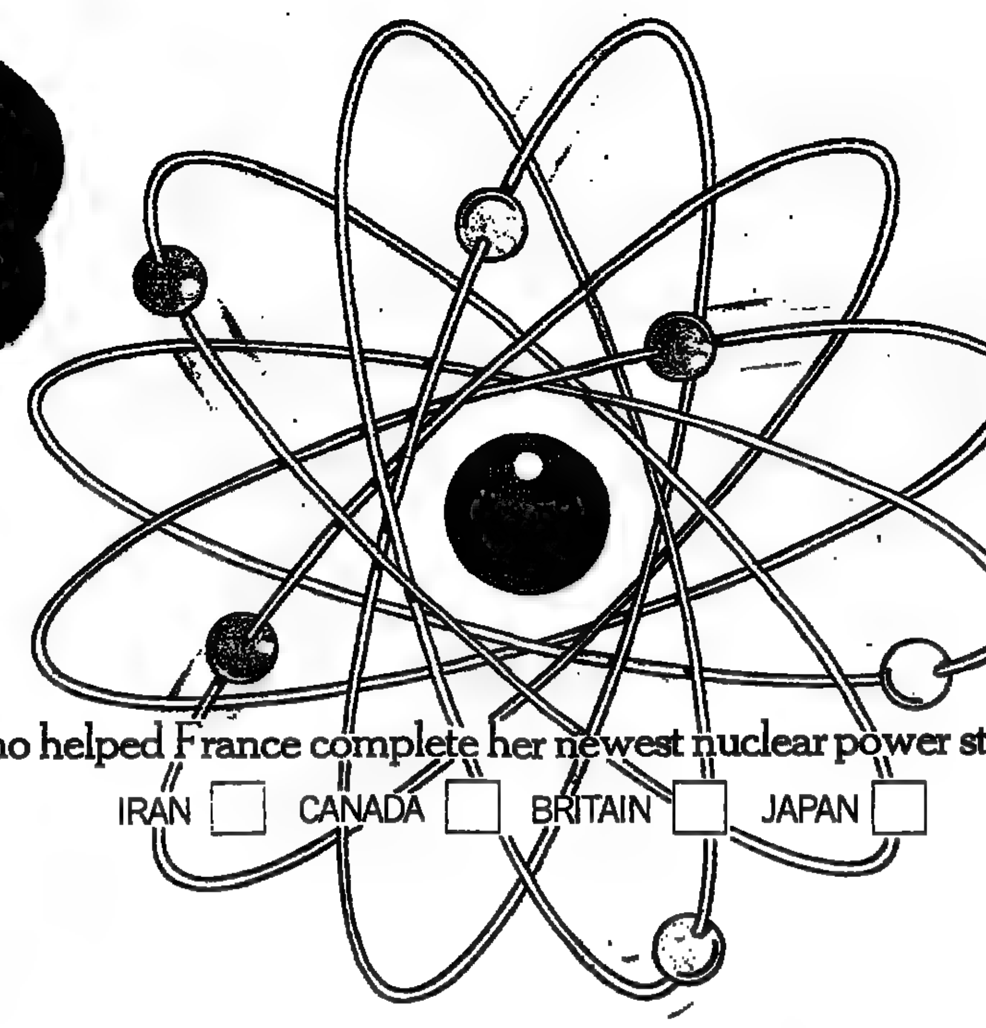
Primary aluminium producti in August totalled 28,479 tonn slightly up on the July figure 27,788 tonnes and on the 25,2 tonnes of August last yea Imports at 17,348 tonnes we down on the previous month figure of 20,824 tonnes. Seco dary aluminium production w also down slightly on the pr vious month when output totall 13,034 tonnes.

Guess which country backs 75% of its currency with something more precious than gold?

SOUTH AFRICA ☐ CHINA ☐
RUSSIA ☐ IRAN ☐

Where in the world did man first venture onto the back of a horse?

SPAIN ☐ IRAN ☐ SAUDI ARABIA ☐ EGYPT ☐

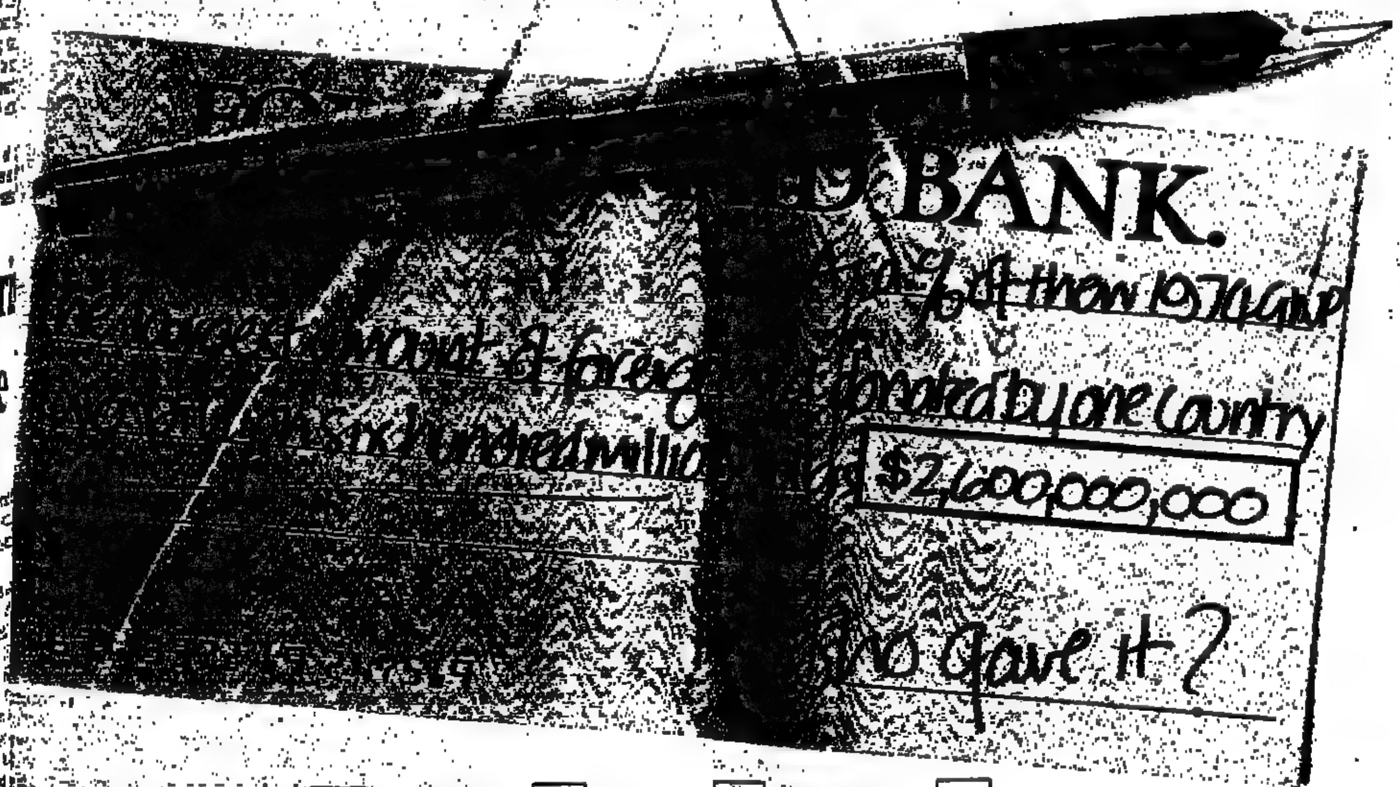


Who helped France complete her newest nuclear power station?

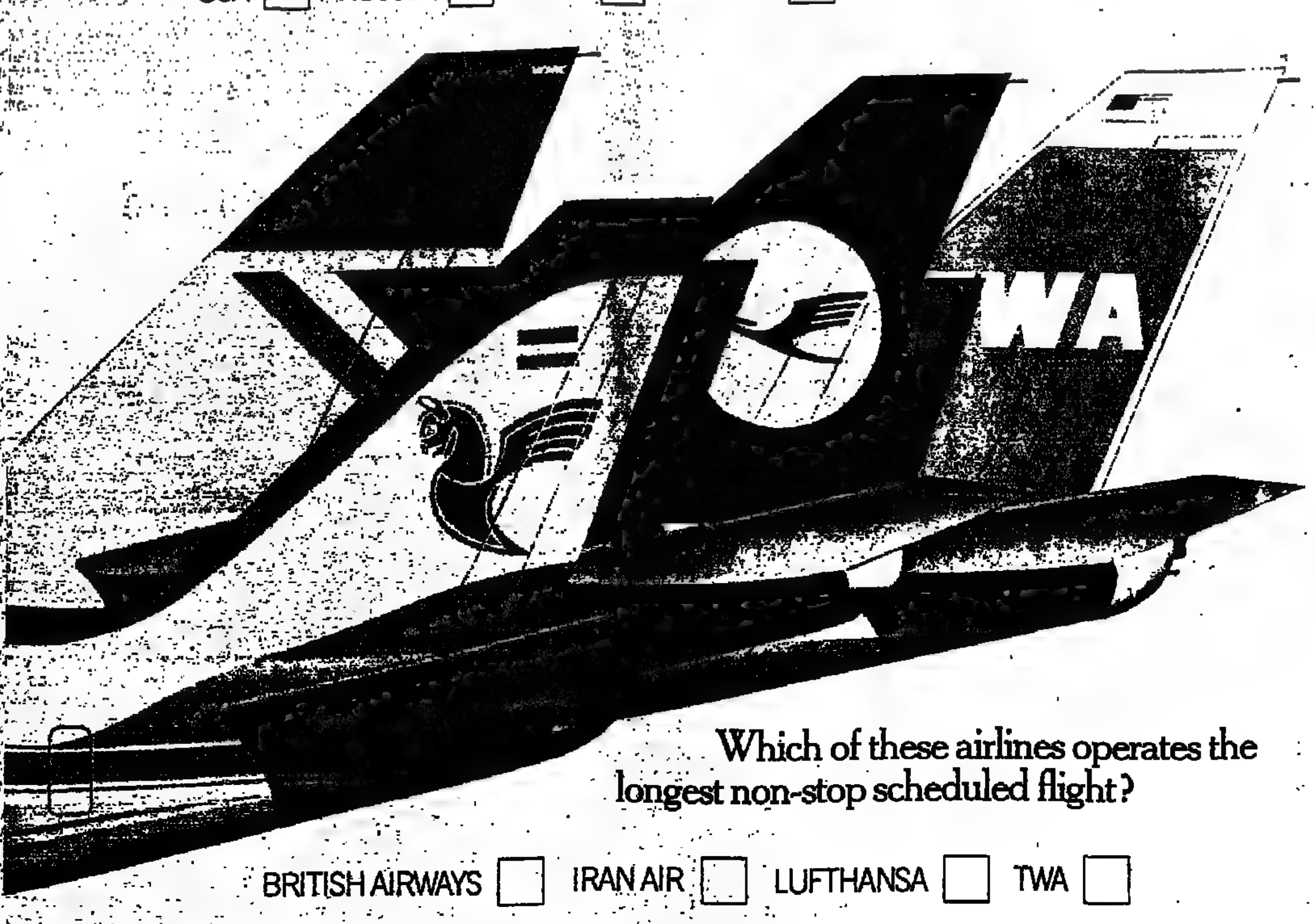
IRAN ☐ CANADA ☐ BRITAIN ☐ JAPAN ☐

Only one country in the world has legislated that private manufacturing companies offer 49% of their shares to employees. Name it.

SWEDEN ☐ ITALY ☐ CZECHOSLOVAKIA ☐ IRAN ☐



USA ☐ RUSSIA ☐ IRAN ☐ FRANCE ☐



Which of these airlines operates the longest non-stop scheduled flight?

BRITISH AIRWAYS ☐ IRAN AIR ☐ LUFTHANSA ☐ TWA ☐

Iran. Iran. Iran. Iran. Iran. And Iran Air. They're the answers. They really are. And if you got them right, well done.

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So that by telling you about Iran, her potential and resources, and how they're put to use, we tell you more about Iran Air than if we just promised tastier food and prettier girls to serve it.

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And it's not as if you won't find pretty girls on our planes, either. You will. From France, Germany and England as well as from Iran.

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PARLIAMENT

DOCK BILL DEFEAT IN LORDS

Minister must consult warehouse owners

BY JOHN HUNT

THE SUCCESSION of Government defeats continued in the Lords last night when Conservative peers pushed through an amendment to the Dock Work Regulation Bill, the controversial measure which imposes the dock labour scheme on all areas within five miles of the waterfront.

An amendment to give warehouse owners a say in the composition of the National Dock Labour Board which will administer the scheme was passed by a majority of 68 (137—69). It was propsoed by Lord Trefgarne, a Tory backbencher, and received the backing of the Opposition front bench.

But the Conservatives decided not to press three amendments which would have extended the size of the Board and would have ensured that four members were nominated by the Confederation of British Industry and four by the TUC.

For the Opposition, Lord Lyell said that it was not their intention to wreck the Bill at such an early stage.

The successful amendment requires the Secretary for Employment to consult the National Association of Warehouse Keepers before appointing the four members of the Board who would not be nominated by the National Joint Council for the port transport industry.

Lord Trefgarne said it was an attempt to rectify one of the defects in the Bill and would simply mean that one of the employer groups in the dock area would be consulted.

For the Government, Lord Jacques objected that a number of employer associations in the docks were in the same position as the warehouse keepers. It would not be practicable to require consultation with all such associations before appointing Board members.

Supporting the amendment from the Conservative front bench, Lord Lyell said there was widespread concern throughout the industry about the effect of the Bill. Three very substantial trade unions were concerned about the prospects of employment and their position under the legislation.

Speaking to the other three amendments which were eventually dropped, Lord Lyell argued that membership of the Board should be widened to include outside employers. Every effort should be made to remove the straight 50-50 port employer and port union structure of the Board while still ensuring a balance.

Lord Jacques maintained that the Board was about the right size at the moment. Any additional members would make it bureaucratic, unwieldy and inefficient. The primary function of the Board was to administer the dock scheme and it would be unreasonable for the dock industry to accept a minority position on the Board.

The three amendments were then withdrawn.

Water must still be saved, says Howell

STOCKS OF WATER are well above average for the time of year in some cases, Mr. Denis Howell, Minister responsible for water resources said in a Commons written reply yesterday.

But he added that most underground water levels were still below the seasonal average. "The recent rainfall together with the measures which the Government and the water authorities have already taken should ensure adequate supplies for the remainder of this year provided that water savings are maintained," he said.

He hoped to make a statement shortly on the Government's conclusions on the winter drought study prepared by the National Water Council.

Mr. Howell gave figures showing rainfall on average for the regions during last month, and compared them with the mean rainfall for that month from 1916-50. In nearly every case the amount was doubled.

Rifkind urges publication of SNP findings

A CONSERVATIVE MP yesterday urged publication of the findings of an internal inquiry in the Scottish National Party, following the recent Tartan Army trial in Edinburgh.

Mr. Malcolm Rifkind (Pentlands) also asked in the Commons if Mr. Bruce Millan, Scottish Secretary, had considered a transcript of the trial.

Mr. Millan replied: "It is up to the SNP to put its own house in order."

Mr. Gordon Wilson (SNP, Dundee E.) retorted that the SNP had always put its own house in order on anything of that sort, just as other political parties had done when there were criminal charges against their members.

Mr. Wilson declared: "The implication does not do any good for politics at all." He asked if there was going to be any inquiry into the handling of the Tartan Army case by the Crown Office.

Mr. Millan said this was not a matter for him, and added: "You are very sensitive to criticism directed towards your own party. You are rather free yourself with abuse for others."

Ban calculators in exams—MP

CHILDREN taking school examinations should not be allowed to use pocket calculators, an MP urged in the Commons yesterday. Miss Harvie Anderson (C. Renfrew E) said the alternative was to provide all children with calculators so that they should all have an equal chance.

Jenkin predicts pay beds Board 'battleground'

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT was warned yesterday that the battle over its intention to phase out National Health Service pay beds could continue even after its Bill for this purpose had been enacted.

And it would be the Government's own fault, declared Mr. Partick Jenkin, shadow Secretary for Social Services, when the Commons debated the Health Services Bill on its final stages.

Mr. Jenkin condemned particularly the Government's decisions on the composition of the Board which would have phasing-out responsibilities. "What we seem to be getting is a Board which will be something of a battleground," he said.

Two of its members would be representatives of the medical profession, which was against the Government's proposals, and there would be two more members drawn from the National Health services which were pursuing the phasing-out policy.

But Mr. David Ennals, Social Services Secretary, resisting Opposition amendments to change the composition of the proposed Board, said that if Tory MPs had their way, they would destroy the basis of the agreement reached between Lord Goodman and the medical profession—the compromise on which the Bill was brought forward.

From the Tory backbenches, Mrs. Jill Knight, pressing the amendments, argued that the proposed Health Services Board should have six members and an independent chairman, instead of the four plus chairman as set out in the Bill.

No one could believe that the Board, as proposed by the Government, would adequately represent the interests of those who had opted for private medical treatment in the NHS hospitals, Mrs. Knight contended.

In a vehement intervention, Mrs. Barbara Castle accused Mrs. Knight of bringing forward amendments that "might be devious, but were not daft." The Opposition knew perfectly well what their amendments would achieve. They would ensure a majority on the Board for those who were against the phasing-out policy.

In this way, claimed Mrs. Castle, the Opposition would ensure that the campaign to delay phasing-out would be continued even after the Bill had become an Act.

Ridiculing Opposition protests at the way she was impugning Tory motives, Mrs. Castle pointed out that the Bill already required that appointments should be made only after full consultation with bodies concerned with the interests of patients at NHS hospitals.

So the Tory amendments were just a "jolly good try-on," said Mrs. Castle.

Mr. Ennals agreed with Mrs. Castle, his predecessor at the Social Services Department.

The two extra members the Opposition wanted would, indeed, look after the interests of patients who wished to have medical treatment privately. But the vast majority of NHS patients did not want or did not have the means to opt for private treatment.

Mr. Jenkin, defending the Opposition proposals, pointed out that the people who would be most affected by the phasing-out policy were the private patients. They would no longer be able to ensure treatment by the consultant of their choice in an NHS hospital.

Terry Kirk

Mrs. Castle claimed that Tory amendments were just a "jolly good try-on."

Labour MP claims Bill would have prevented run on pound

BY JOHN HUNT

THE BANK of England was accused of "treasonable mismanagement of the money markets" by Mr. Jeff Rooker, a prominent Labour MP, yesterday when he successfully introduced a Bil in the Commons to prohibit speculation in currencies or commodities.

"There is no use served to this country or to the workers of this country by allowing the present casino situation to exist much longer," he declared.

He was given leave to introduce the Bill by a majority of 25 (164-139) amid light-hearted taunts from the Conservatives, safe in the knowledge that he stands no chance of getting it on to the Statute Book.

The measure was introduced under the 10-minute rule procedure which is primarily a method of airing a topic rather than a serious attempt at legislation. The list of the Bill's sponsors read like a roll-call of the Left-wing Tribune Group. Yet the fact that it received the backing of 164 Labour backbenchers, showed that its support was not merely confined to extreme Left-wingers.

The measure was strongly opposed for the Tories by Mr. Peter Bottomley, an industrial economist who sits for Woolwich West. He accused the Labour Party of being "pig-headed" and condemned the entire notion of the Bill as "wrong-headed."

Mr. Rooker, who is MP for Perry Barr, Birmingham, a chartered engineer and lecturer on industrial relations, maintained that if the Bill had been law last March, the Bank of England's handling of the money markets would not have resulted in the run on the pound which had been caused by speculators and which had led to the present crisis.

Only the previous day, said Mr. Rooker, the Stock Exchange had announced the "ultimate casino operation"—the opening of a market in traded options. Over the last few years, this system had been used in the United States to perpetuate frauds on small investors, rendering many of them penniless.

Mr. Rooker recalled that some years ago Sir Harold Wilson had accused the City of London operating a gigantic casino where the nation was the only loser. He thought that Sir Harold's enquiry into the City would be strengthened by the proposals in this Bill.

It would outlaw the situation where a speculator with nothing but a telex machine and the co-operation of the banks could use highly sophisticated markets to "buy commodities he doesn't need and sell currencies he does not have."

The Bill, he said, would stop agreements where legitimate trade was not involved and would impose penalties in line with the scale of the offence. Manufacturers who had to buy commodities in advance would not be affected by the Bill "so long as the yintend to produce something." The same would apply to currencies.

Speaking against the measure Mr. Bottomley told the House that Mr. Rooker was wrong in blaming speculation as the major cause of inflation and the balance of payments deficit.

"It is agreed now that Government action leads to inflation and often Government action is a reacton to the pressures put on it by trade unions, manufacturers or others," he said.

The trouble with the Labour Party was that it had a constitution written in 1918 and its members never seemed to learn from their past mistakes.

MR. JEFF ROOKER

"A casino situation."

Tough penalties urged for soccer violence

COURTS SHOULD use penalties against football hooligans in a very severe way, Mr. Bruce Millan, Scottish Secretary, told the Commons yesterday.

Following last Saturday's violence at a match between Aston Villa and Glasgow Rangers, Mr. Millan said he had arranged a meeting with the Scottish Football Association and with Chief Constables. "I am extremely concerned about what happened last Saturday."

In reply to further questions, Mr. Ronald King Murray, Lord Advocate, suggested that Scottish courts might need wider powers to deal with football hooligans.

Mr. Edward Taylor (C. Cathcart) had urged him to have talks with Scottish sheriffs about the appropriateness of sentences and suggested that people found guilty of football hooliganism should be made to report to police stations on Saturday afternoons "in a sober condition."

Mr. Murray said: "It may be we require wider powers of disposal for our courts than we have at present."

In a written reply Mr. Denis Howell, Minister for Sport, said that much of the recent football violence could have been prevented if clubs had taken Government advice.

His working party on football crowd behaviour had recently issued a new circular to football clubs suggesting practical steps to reduce hooliganism.

"There is little doubt that much of the recent violence might have been prevented if these recommendations had been implemented with thoroughness and urgency," he added.

Industry aid offers reach £77m.

FINANCIAL TIMES REPORTER

INDUSTRY HAS been offered assistance totalling £77m. under the accelerated projects scheme, Mr. Alan Williams, Minister of State for Industry, told the Commons yesterday.

The scheme was introduced in April, 1975, to bring forward substantive manufacturing projects which would not otherwise take place during the recession.

Mr. Williams stated that the £77m. had been offered on 96 projects costing £566m., and pointed out that actual payments were phased in relation to the progress of the projects.

Replying to Mr. Gwilym Roberts (Lab. Cannock), the Minister reported that financial assistance of £10.3m. had been offered to Mobil Oil during the Parliamentary recess in the form of an interest relief grant. This has been provided under the scheme to bring forward the construction of a £70m. fluid catalytic cracker unit at Coryton, Essex.

Millan says investment trends are 'favourable'

SCOTTISH TORY MPs were rebuked by Mr. Bruce Millan, Secretary for Scotland, in the Commons yesterday for being too pessimistic about the effect of the increase in Minimum Lending Rate on industrial investment in Scotland.

"Investment trends generally in Scotland are more favourable now than they have been for a considerable time and I expect that to continue," he said.

In his contacts with Scottish industrialists he had not found that they shared the pessimism expressed by Scottish Conservative MPs.

Mr. Teddy Taylor argued, from the Opposition front bench, that the increase in interest rates was bound to have a damaging effect in Scotland which already had 150,000 unemployed.

Denying that the increase in Minimum Lending Rate would have as serious an effect as forecast by the Opposition, Mr. Millan insisted that Scottish industry, taken as a whole, was much more confident of the future than it had been for a long time.

"Recent surveys of industrial trends in Scotland show a rising value of output and export deliveries." He was confident that the Government's policies would strengthen employment prospects.

Mr. Russell Fairgrieve (C. Aberdeenshire W.) called on the Government to change its interest rate and taxation policies to help small businessmen north of the border.

Mr. Millan replied that the Scottish Development Agency was paying particular attention to encouraging the small business sector.

The Minister told Mrs. Marget Bain (SNP Dunbartonshire E.) that capacity for producing oil platforms existed and he expected to see orders placed in Scotland, but could make no absolute commitment to home preference on orders.

Assembly will be value for money—Minister

THE GOVERNMENT would get very good value for the £650,000 paid for the site of the future Scottish Assembly in Edinburgh, Mr. Harry Ewing, Scottish Under Secretary said in the Commons yesterday.

Mr. Gordon Wilson (SNP Dundee E) said the cost of the assembly was a mere bagatelle, compared with the £2½m. coming from Scottish oil every day.

Mr. Tim Renton (C., Mid-Sussex) argued that it was foolish to pursue further "elements of disintegration within our society." He called on the Government to postpone the Devolution Bill until the next General Election when it could be discussed by the whole electorate.

Mr. Ewing replied that it was not the Government's purpose to pursue disintegration within our society.

● NEWS ANALYSIS—DRINKS INDUSTRY

A lesson from Teacher

BY KENNETH GOODING

AS IS usually the case when a friendly merger has been arranged, there was much talk yesterday about how much Allied Breweries and Teacher (Distillers) could help one another after they get together.

Allied is already Europe's biggest drinks business. But the public is often not aware that the Ind Coope, Tetley and Ansells pubs, 8,000 in all, are owned by the same combine which makes Skol lager, Double Diamond and has the Wine Ways and Victoria Wine off-licence shops.

It also provides us with Harvey's sherry, Coats ciders and Babycham perry as well as being the organisation which markets 700 or more wines and spirits in the U.K., taking in names like Don Cortez, Goldener Oktober and Nicolas.

Glaring

There has been one glaring gap in the portfolio since 1969 when Allied emerged in its present shape after the brewing business merged with the Showerings Vine Products Whiteways wine and spirit operations.

Allied has had no major Scotch whisky brand in its portfolio.

Its own Scotch business is Stewart's which makes the little-heard-of Cream of the Barley brand. It also had a marketing arrangement for the Long John brand but Long John was taken over by Whitbread last year. And Allied still maintains a 30 per cent. interest in the U.K. marketing company for Grant's Standfast Scotch which is used as the "pouring" brand in its pubs.

But Teacher's gives it a really firm foothold in the Scotch whisky industry, for it is a vertically integrated concern with its own distilleries plus a best-selling brand, Highland Cream.

There is also the point that, for all its size, Allied's international business is concentrated mainly in Holland and Belgium and Teacher's would argue that the whisky company's connections round the world might be very useful.

For example, when Teacher's agent in Cyprus heard the identity of the bidder yesterday he telephoned Mr. Adam Bergius, the chairman, to ask: "When do I start selling Skol then?"

There is some truth behind this little joke because some of the Allied wine and spirit brands might well tie-in neatly with the Scotch brand in overseas territories.

Demand

What does Teacher's get out of the merger, apart from a very good price for its shareholders? Why should the group give up its independence after 165 years? The simple answer is: Finance.

The fact of life in the Scotch whisky business is that the more successful you become the more finance you need to build up the stocks needed to meet the extra demand you are creating.

You are not just replacing stocks but you are building them up for expected demand five years ahead—for that is the average of the whisky before it is blended, bottled and sold.

The Teacher family is large and wealthy. But there would come a time when the 30 to 40 family shareholders who have controlled the company would no longer be able to find their share of the extra cash required. Their control would gradually slip away.

As Mr. Bergius commented last night: "As a company we were very conscious that a great deal of money would have to be found to maintain our present sales momentum, to support our export effort and to fund growth.

"We realised that this would mean that the size of the family shareholding would have to be diluted over a period of time and rather than expose the concern to the constant uncertainties of a piecemeal divestment, we decided to take the initiative and seek a stronger working partner.

"This merger will mark the rebirth of the company in a different form. Too many companies have failed to this nettle early enoug[h] consequently have not bee[n] to grow. Instead they wi[thered] and died."

Teacher's funding pr[oblems] are made more difficult [because] it has such a strong [position] in the U.K. where more [than] 40 per cent. of its sales are and where most observers [believe] it to be the individual market leader.

The heavy duty on Sco[tch in] Britain, accounting for £[...] bottle, has not only dep[ressed] the market's growth bu[t] proved expensive for th[e pro]ducers.

They have to finance th[e duty] for about six weeks befo[re the] customer pays up and r[...] it. The Treasury benefits [by] about £100m. which is the [aver]age amount the industry i[s owed] during peak trading p[eriods]. This is, in effect, an in[terest-]free loan to the Governm[ent].

Prominent

Mr. Bergius has been [promi]nent among the campaign[ers to] get this situation changed[. The] industry would like time [to pay] its duty. But the Gover[nment] says it could not afford t[o give] up such a large sum just [for] a sentiment it has been [...]ing for at least five year[s] through both boom and b[...].

However, what might [be] daunting sums to Teacher's [with] its £56m. of sales and [...] of taxable profit, look fa[r less] significant to an organi[sation] with a £600m. turnover [and] £60m. of profit.

So, as long as the O[ffice of] Fair Trading gives the go-[ahead,] Allied is all set to push the [share] of profits it gets from its [wine] and spirits operations to [...] 45 per cent.

Which once again raise[s the] question about whether [the] group will change its [...] anonymous and very "b[...]" name. That is something Allied has been considerin[g for] the past five years or so.

Carreras wants Darlington mill

CARRERAS ROTHMAN has opened negotiations to take over 500,000 square feet of space at the Patons and Baldwins textile complex at Darlington. The factory would provide 1,000 jobs and would involve investment of £10m.

The site became available after Patons cut its Darlington operation last year and laid off 650 workers—nearly a third of the total work force.

Carreras, which already has two factories in Essex and a third in Ulster, urgently needs more capacity and is anxious to avoid delay in building a new factory. It intends starting production of a full range of cigarettes at its new works early next year.

Burmah Oil shareholder[s] welcome writ on Bank

BY MARGARET REID

BURMAH OIL'S issue of a writ suing the Bank of England for the return of the 77.8m. British Petroleum shares sold to it in 1975 for £178m., and now worth almost £300m. more, was welcomed yesterday by the Burmah Shareholders Action Group.

The group congratulated Mr. Alastair Down, Burmah's chairman, and his Board "on this manifestation of their resolute attitude."

Burmah is claiming the return of its former holding in BP—some 20 per cent. of that group—against repayment of the original purchase price of £178m., which reflected the market quotation for BP early [this] year.

The Bank bought the sha[res as] part of its rescue operatio[n for] Burmah, which it is still [...]ing.

Yesterday BP shares rose [...] to 803p, helped by bright [news] of the Forties North Sea oil[field]. This makes the former Bu[rmah] holding, now in the B[ank's] hands, worth some £465m.

Mr. Jonathan Stone, for [the] action group, said yesterday [that] the legal case started by Bur[mah] could take five years to sett[le if] it went to the House of L[ords]. Burmah shares ended uncha[nged] at 30p.

If you've a problem we'll give you a hand, or a harvester, or a computer, or...

By supplying expertise or hardware, we help a lot of people solve their problems – in the U.K., in Europe, and throughout the world.

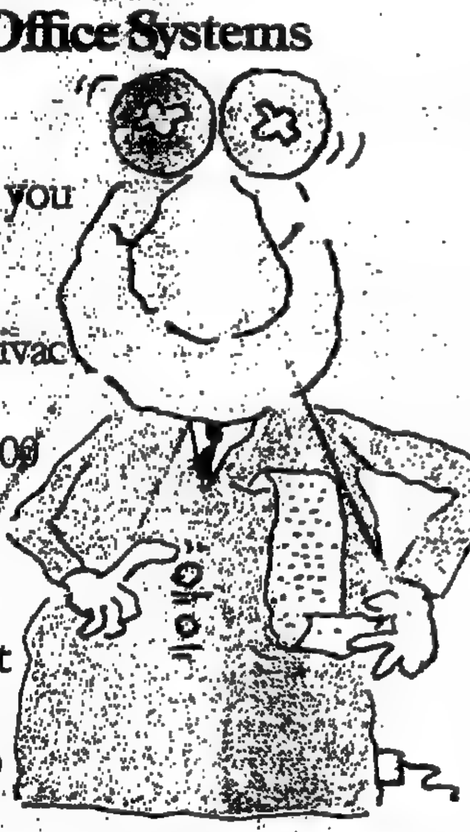
We can do this because we're a Corporate Entity. We think that's a good thing to be. There are strengths and advantages – the crossflow of ideas, the exchange of information, the strength of unity, and the muscle of investment, giving all within the group a real chance to grow.

But the disadvantage of being a Corporate Entity is that some people who we could be helpful to, or could be helpful to us, don't know who's who or what's what within the organisation.

Since we'd like these people to know who and what, we're presenting a list of our activities.

Perhaps we can help you, whether as a Chairman of a company, a member of a company, or simply as a fellow member of the human race.

Computers and Office Systems



We're pretty big in computers.

But don't let that put you off – we're pretty small in computers too.

In fact our Sperry Univac world-wide computer installations add up to $7,400 million and are employed in so many different capacities in so many different places we couldn't list them all in one ad.

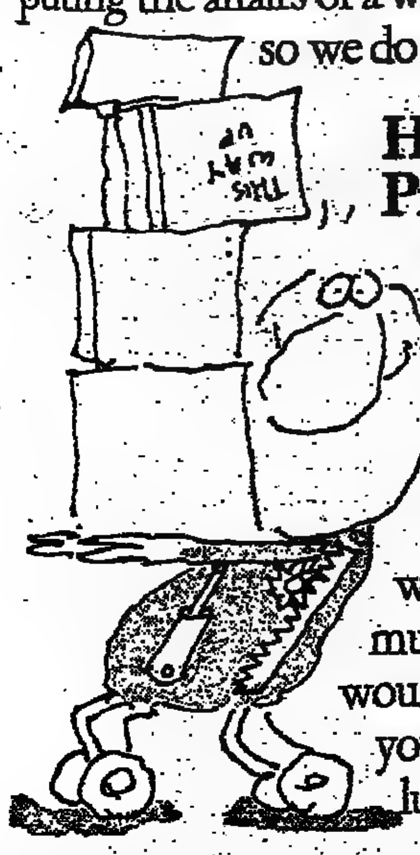
But you don't have to be a factory, or a railway, or an airline, or a bank, to call on us for help, although if you are any of these, we can drop a few names which will reassure you as to our qualifications.

And we're interested in your offices. They constitute the brain cells of any industry and working in them can be efficient and exhilarating or plain bloody drudgery and muddle.

We make computers and machines which enable the first of the alternatives to be achieved – equipment varying from simple filing systems to complex management information systems.

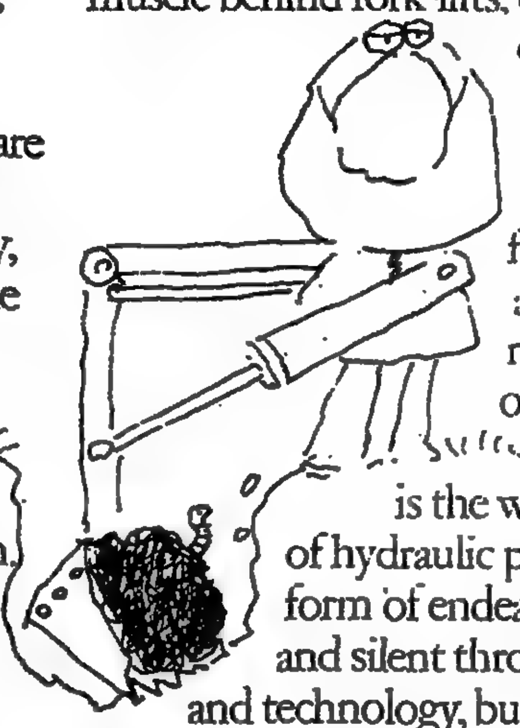
Filing may not sound glamorous, but to the person who's stuck with it it's as important as computing the affairs of a world-wide banking concern, so we do our best for both of them.

Hydraulic and Pneumatic Systems



Fifty years ago Harry Vickers invented the first efficient low-cost high pressure pump for hydraulic control systems. (Just as well – in order to raise the wheels of a modern airliner by muscle power, the interior would resemble a slave galley, and you could forget about such luxuries as passengers.)

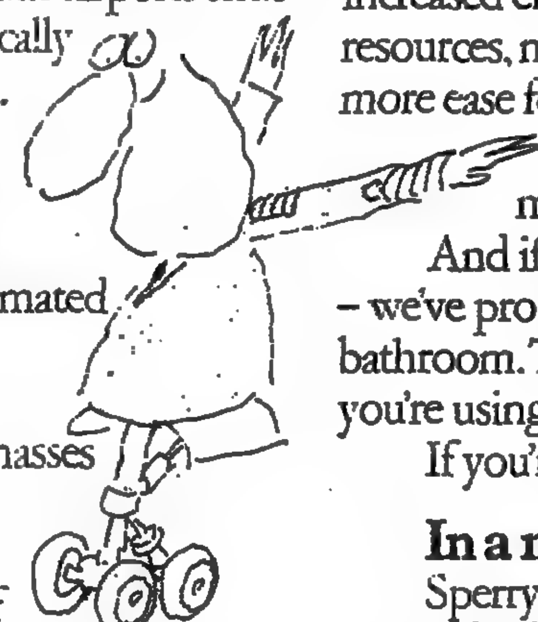
Today Sperry Vickers hydraulics provide the muscle behind fork-lifts, earth movers, cranes, and other industrial 'heavies' – inside the factories Sperry Vickers pneumatics provide the precision control for such delicate operations as plastic injection moulding and machine tool operation.



In fact, Sperry Vickers is the world's largest manufacturer of hydraulic pumps and valves. It's a form of endeavour which runs unseen and silent through every part of industry and technology, but though unseen (if you'll permit a joke), we've got a lot of push.

Guidance and Control Systems

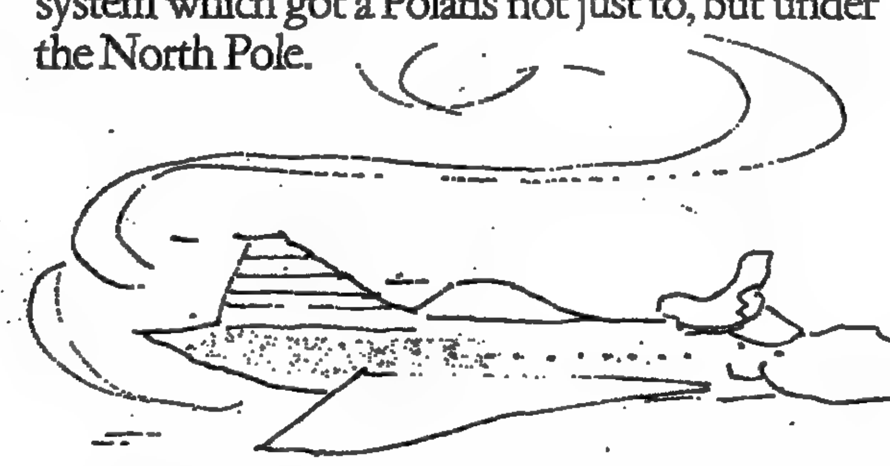
Until recently bad weather made airports shut shop and left aircraft seeking frantically for a bare patch to bump down on.



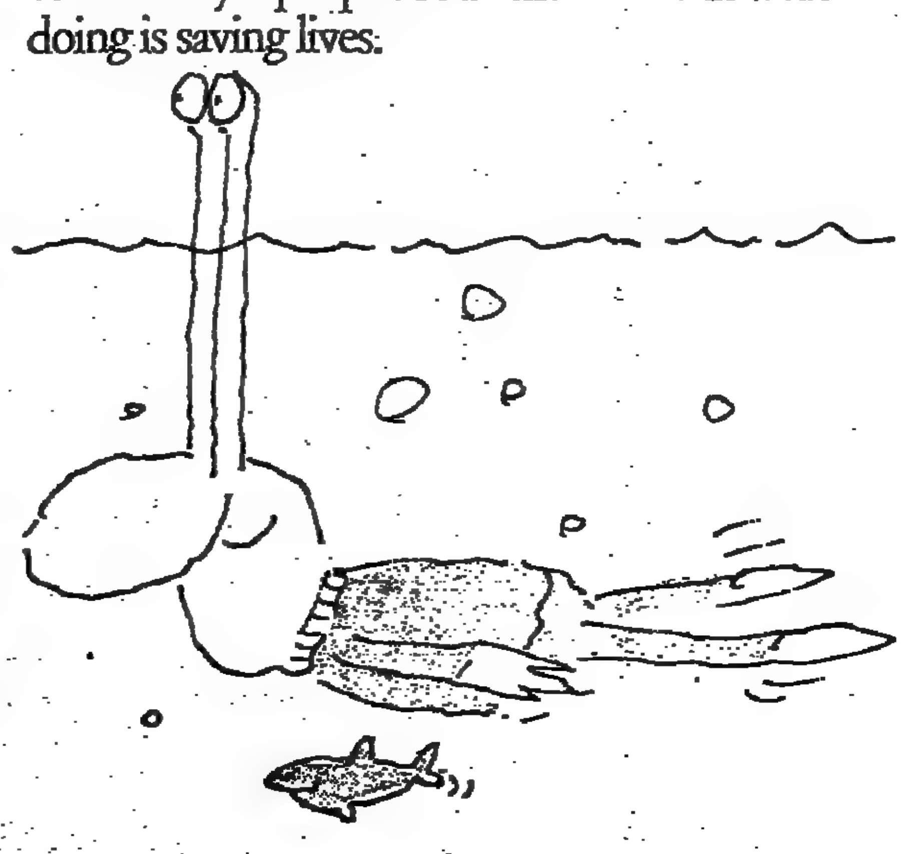
Today, Sperry automated landing systems assure safe touch down even under zero visibility.

And our Sperry Univac Automated Radar Terminal Systems cope with what was once thought to be the insoluble – the ever-increasing masses of aircraft occupying an ever-diminishing amount of air space.

An ever-increasing number of Sperry navigational and guidance systems are being used for aircraft and surface and sub-surface shipping. For instance – it was a Sperry guidance system which got a Polaris not just to, but under the North Pole.

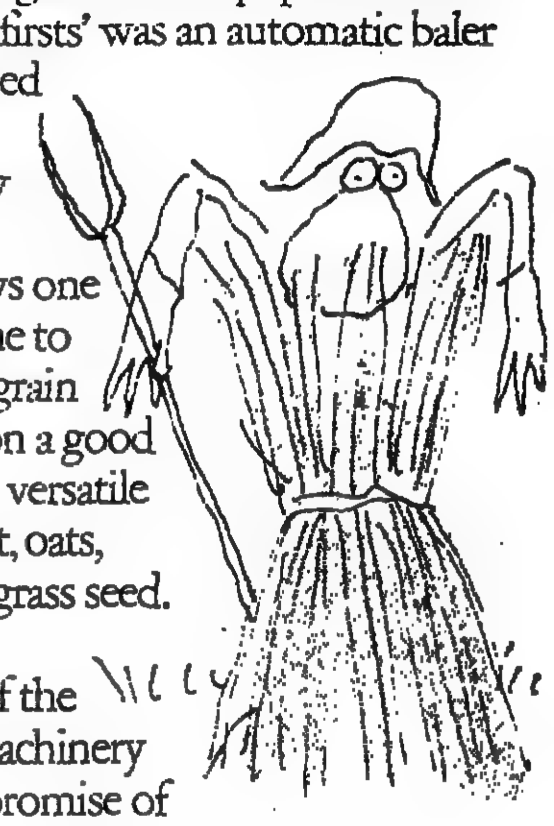


Of course all this is not just about submarines, or aircraft, or trucks, or trains; these devices are usually stuffed full with mankind's most precious commodity – people. So in the end what we're doing is saving lives.



Agricultural Equipment

Sperry New Holland is the largest manufacturer of specialized agricultural equipment in the world. One of our 'firsts' was an automatic baler which revolutionized hay-making, and we turn quite a few heads with a harvester that allows one man in one machine to harvest six tons of grain an hour – 60 tons on a good day! A harvester so versatile it can harvest wheat, oats, barley, maize, even grass seed.



Beyond the physical presence of the durable, versatile machinery we produce is the promise of increased efficiency in the handling of precious resources, more food for a hungry world and a bit more ease for the farmer's aching back. It's what we mean when we say 'making machines do more, so man can do more.'

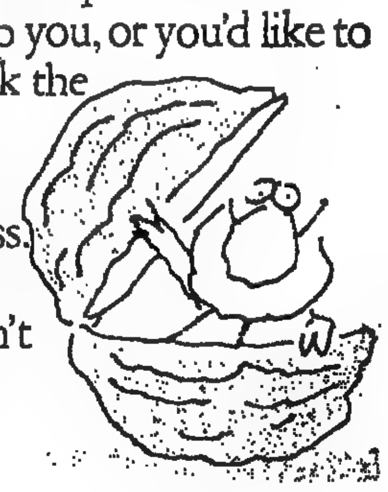
And if giant harvesters aren't quite your thing – we've probably got something going in your bathroom. The next time you're shaving, reflect – you're using a shaver from Sperry Remington.

If you're not, you're using the wrong shaver.

In a nutshell - Sperry

Sperry is a Corporate Entity comprising six successful divisions. Sperry, Sperry Flight Systems, Sperry Univac, Sperry New Holland, Sperry Vickers and Sperry Remington, creating wealth, work and work opportunities with 17 factories and over 23,000 employees in 15 European countries.

If you think we can help you, or you'd like to know more about us, just tick the appropriate box, or boxes, in the coupon provided, and post to us at the given address.



If you've a particular enquiry which the boxes don't cover, drop us a line, we'll be pleased to help.

Please send me information on the following:

- [ ] Computer Equipment and Office Systems
- [ ] Hydraulics and Pneumatics
- [ ] Guidance and Control Systems
- [ ] Consumer Products
- [ ] Agricultural Equipment
- [ ] Annual Report

Tick the boxes for the subjects you're interested in and post to: Sperry Rand Limited, 78 Portsmouth Road, Cobham, Surrey KT11 1JZ.

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Company__________

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SPERRY
SPERRY RAND CORPORATION

Making machines do more, so man can do more.

Out of the bag · Magazine · Homes · Trays · Ropes

BY MICHAEL DIXON

IF A six-year-old child had not left a bag on Platform Seven of London's Waterloo Station in 1918, Leslie Tait of Touche Ross would probably not now be looking for a chief executive.

I would lay the blame more with the 60-year-old father for expecting his youngest son Carl to get the bag safely on the train amid all the steam and scurrying, especially when the lad was both tired and excited after playing, along with his parents, brother and two sisters, in a public concert. Anyway, nearing Haslemere, papa missed the bag and became agitated about its principal content: a 200-year-old treble recorder. He advertised for the instrument, offering the then large reward of £20. But nobody came forward.

Some years later, quite by chance, a friend bought the instrument in a junk shop for five shillings and when the father recognised it, gave it back. But in the interim, Mr. Arnold Dolmetsch had decided to make a replacement for himself. That was how the family workshops, which already made clavichords, viols, lutes and such-like, came to produce the first of the 12m. recorders—wooden or plastic—which have so far borne the Dolmetsch name.

"I didn't play the recorder myself at the time," says Dr. Carl Dolmetsch, who now plays it all over the world. "I played the viol and various other things, but it wasn't until I was 12 that father decided that he needed another volunteer to play the recorder, and nominated me. Two years later he also handed over to me the complete design and development role in making recorders."

When he is not away performing, Carl returns to help run the business whose success, he says, owes most to his mother. But he is just about the only older-generation director unretired and his son, Francois, who is the chief shareholder now and takes an active interest in the £300,000-turnover company, cannot be in Haslemere often, not least because he lives in the mountains of Colombia in South America. "We thought he was only going for a short time," says Dr. Carl, "but it turned out otherwise."

Hence the need for a new chief executive to run, develop and expand the business which, while its plastic recorders are dealt with in Birmingham and Petts Wood, still owes a third of its turnover to the range of early instruments craftsman-made at the original Surrey base. "We produce our own craftsmen, too," Carl Dolmetsch adds. "five-year apprenticeships, and there's always a waiting list."

The need, he thinks, is for a general manager with the developed skill needed to run a craft-centred business employing upwards of 40 people and who—at least equally important—has a deep awareness of music. "I'd like him to be so that, when we aren't there, it will be as though we were."

Which certainly adds up to an unusual assignment for consultant Leslie Tait (Touche Ross and Company, 4 London Wall Buildings, London EC2M 5UJ—telephone 01-588 6644). The age range quoted is under 50, and the salary negotiable up to about £8,000 a year.

Unconventional problems

IN the summer vacation eight years ago, Tony Elliott, a Keele University student, started with some friends and about £70 a three-weekly four-sheet publication previewing events in London. He never went back to Keele, and Time Out has since become a weekly magazine with a circulation, in and around the capital, of about 50,000.

From the outset Mr. Elliott seems to have approached magazine publishing with the attitude that if his journalists attract a sufficient readership, this will produce a sufficient response to its advertising to persuade organisations to buy space even if they dislike what the journalists write.

Considering his expected £500,000 turnover this year and the—in my opinion—doctrinaire Lefty and desperately liberated attitudes of Time Out's editorial content, the formula has worked. His enterprise does tend, however, to have "rather unconventional problems."

One example was a walk-out by the journalists' union this summer apparently because Mr. Elliott, finding revenue harder to obtain and production costs rising, wanted to increase the proportion of the magazine given to advertisements. Another is reports that, of the turnover, only about £10,000 will survive as profit this year.

Even so, the publisher says he is feeling optimistic. "We've never accumulated any capital reserve," he adds, "and so we've always been very aware of the need to pay our way—the minimum start-up cost each week for the magazine is £12,500. But, although the economy is down, I'm happier about our outlook now than I was last year. I think we could raise turnover a lot, very quickly."

To that end, he is seeking a general manager to be responsible to him for controlling the business side and the administration of the magazine. "Everything from cash flow to ensuring that someone locks the front door—except, of course, deciding the editorial words and pictures that go into the pages." The newcomer will have the aid of about a dozen staff.

Mr. Elliott admits he cannot be specific about the type of person aged 25-40 (he is nearly 30). Someone able to form a productive relationship with the editorial side, "neither trampling on, nor being trampled on," and who "can see the practical possibilities of the organisation."

Readers interested in the challenge, and in salary of about £6,000, should write to him at 374 Grays Inn Road, London WC1X 8BB.

Merseyside improvements

BARRY NATTON, chief of Merseyside Improved Houses, wants a director of finance and administration to help him and six other directors to run this housing association which has expanded quickly over the past decade of its 50-year history.

With some 160 staff in four offices, MIH buys forsaken land and property, and builds or renovates to the tune of some £10m. capital spending yearly. Rent income from the 5,000 flats or houses now under management is about £1.1m. So most costs have to be held within a, fortunately fairly hefty, Government grant.

Mr. Natton says the newcomer, who will have about 22 staff, is likely to be aged 28-35 with a financial background and probably qualification. But most important is a "go-doing" character, able to get across equally to top officials including MIH's bank managers (it has a £1m. overdraft), tenants of the properties, colleagues, and all around. Salary about £7,000. Car.

Inquiries to the chief executive at 46 Wavertree Road, Liverpool L7 1PH—Tel. 051-709 9375.

Packaging in Wales

ALUPACK, which produces aluminium-foil containers — at present mainly for the food industry — needs a managing director at its four-year-old plant employing some 30 people at Bridgend in Wales. The company is part of the aluminium division of Norsk Hydro, the biggest industrial group in Norway, whose Government holds the controlling interest, and the newcomer will replace Gunnar Asbjornsen, who is being promoted within the division.

The need is apparently for the very model of a modern senior manager, armed with quantitative techniques especially for assessing new marketing prospects, with experience of press-shop mass production using machines which thump but the product all at one go.

Responsible to the division in Oslo, the recruit will be immediately aided by a works manager, a sales manager, a company secretary and an accountant, and a chief tool designer. Salary is not quoted, but I would estimate about £8,000 upwards, plus car.

Inquiries to Mr. Asbjornsen at Isfryn Industrial Estate, Blackmill, Bridgend, Mid-Glamorgan CF35 6EB.

Directors in Ulster

"IF you're lucky enough not to be in what we call the confrontation areas, although you know people are being killed and buses burned and other dreadful things, the troubles don't affect your working or home life to any great degree. People tend to go to one another's homes for entertainment rather than public places but, surprisingly, I'd say the quality of life was still high for most people in Northern Ireland."

So says Sir Desmond Lorimer, chairman of the Belfast McCleery L'Amie Group, [...] wants new directors of m[...] ing and of production f[...] Board of its rope- and [...] making division at Ballyg[...] about 10 miles from the [...] capital.

"We're strong on tech[...] and on selling," the ch[...] adds. "So we're really l[...] for a production expert w[...] start by advising us on ho[...] to instal the new equipme[...] have ordered, and a nu[...] marketing professional w[...] explore the sorts of specif[...] and so on that will ena[...] to penetrate new m[...] especially outside the U.[...] North America where w[...] fairly well already."

Candidates for the prod[...] job would, however, h[...] strong advantage if the[...] experience of syntheti[...] production; and those f[...] marketing directorship — [...] could, if strictly necessa[...] based in Birmingham — [...] find fluency in a second [...] pean language a help.

Both will be responsi[...] Steve Orr, managing dire[...] the division. Salaries a[...] quoted, but I would esti[...] range of £8,000-£11,000, [...] cars. Inquiries to Mr. O[...] group headquarters — [...] Lane, Newtownbreda, B[...] BT8 4DD, although his tele[...] number is Ballygowan 531[...]

ACCOUNTANCY APPOINTMENTS

DIRECTOR OF AUDITS AND PROCEDURES

AUDIT MANAGER • STAFF AUDITORS FINANCIAL CONSULTANTS

Salaries: £4,500 — £10,500

Several experienced and qualified accountants are required for a newly-created European audits and procedures department based in London for a U.S. manufacturing corporation with world-wide operations. The department's responsibilities include financial and operational audits, systems reviews, U.K. taxation, and other special financial projects. Knowledge of U.S. accounting principles and U.S. accounting standards desirable. Although not essential, fluency in French or German would be advantageous.

Initial salaries negotiable (ranging from £4,500 for Staff Auditors to £10,500 for Director) plus car or car allowance, BUPA, pension scheme and other normal benefits.

Interested applicants should write (quoting reference BRL5122F) with full career details, which will be treated in confidence, to:

C. K. Ling, Managing Director
BROWNE RECRUITMENT ADVERTISING
117 Piccadilly, London W1V 0BL

Please list separately the names of any companies to whom applications should not be sent.

FINANCE FROM A CORPORATE VIEWPOINT

Career Opportunity — **up to £9,000 + car**

It takes a cool, uncluttered mind to assimilate and then isolate the significant from all the information collected at Corporate Headquarters. In this case, manufacturing subsidiaries in the UK, Europe and worldwide, are reporting regularly and in detail. The company, part of a major UK public group, has around £200m. worldwide turnover, and needs a corporate financial control manager.

This is a new role designed to aid the Financial Director by providing a sophisticated clearing house for information, and an early warning system for trends. The job links closely with the activities of corporate audit, long-range planning and the secretariat, and has specific responsibility for international cash control.

Applications are invited from C.A.'s in their early to mid-30's. Fluency in French or German is desirable and a willingness to undertake short trips overseas is needed. Current or recent experience at corporate level in an international manufacturing concern is essential. Any additional experience of financial control, corporate planning, international audit and/or line accounting would be helpful.

Candidates must have the personal authority and diplomacy to act for the Financial Director in a staff capacity and display the potential for an early directorship. The scope of this job provides an excellent opportunity to acquire comprehensive knowledge of the company's activities and have considerable influence over its long-term strategies. The position is Midlands based. Reference G103/FT.

The company also has an opening for a younger and less specifically experienced Chartered Accountant. This is for an interesting line financial appointment where there is some overseas travel. Salary offered is around £6,000. Reference G104/FT.

Candidates (male or female) should send a detailed career history to the consultant advising on this position, quoting the appropriate reference.

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Group Finance Manager

Salary Negotiable from £10,000 — **Central London**

A major (turnover in excess of £400 million) and rapidly expanding international group, with worldwide operations, requires a Group Finance Manager, to work closely with operating management in the U.K. and Overseas on the financial aspects of new and existing projects. Ideally, candidates aged 30-45, should have had extensive experience at a senior level in a U.K. based international group, allied to practical familiarity with exchange control regulations, money market operations and the mechanics of banking and foreign exchange. A high degree of innovation will be required and previous experience in developing an analogous function is highly advantageous.

An appropriate salary/benefits package will be open to negotiation.

Applications in strict confidence, from male or female candidates, with a brief c.v., to Brian Luxton quoting ref. 5751.

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY
RATE £11.00 PER SINGLE COLUMN CENTIMETRE

Financial Accountant

c. £5500

Charterhouse Group comprises venture and development capital, insurance broking, merchant banking and a variety of industrial interests.

A major part of this job is concerned with preparing the period management accounts of the Group and assisting with the annual report and accounts, in addition to a number of interesting ad hoc projects.

An ACA under 30 is required with group experience acquired either within or since leaving the profession. An interest in both tax and computer applications is essential.

Excellent conditions of service. Promotion is from within wherever possible.

Please send brief details to R. W. H. Lubbock, The Charterhouse Group Limited, 1 Paternoster Row, St. Paul's, London EC4M 7DH.

CHARTERHOUSE

Financial Director Yorkshire

A small, but dynamic, Yorkshire-based company whose business is centred on the importation and supply of capital goods for industry wishes to appoint to its board a fully qualified accountant to act as Financial Director.

The successful applicant will assume full responsibility for the accounting function of the company and its two subsidiaries, and for ensuring that the financial resources are properly planned and controlled.

The Financial Director will work in close harmony with a small top management team and will be responsible to the Board for the financial functions of the company.

The company has asked its City merchant bankers to vet applicants but in the first instance please write in confidence, stating companies to whom you do not wish your application to be sent, to:

J. Birchall, Royds Recruitment Limited, Royds House, Mandeville Place, London W1M 6AE.

Guardian Royal Exchange Assurance

Qualified Accountants

Further vacancies have occurred for Qualified Accountants, male and female, in the Head Office Accounts Division of the Group in London and Ipswich.

The positions would be attractive to accountants seeking their first post qualifications in commerce, but commercial or professional accounting experience of consolidated accounts would be advantageous.

The positions offer progressive career opportunities with non-contributory pension, widow's pension and life assurance schemes and other generous benefits. The commencing salary will be commensurate with qualifications and experience. Applications in writing should be addressed to:

Mr. E. A. Noyce, Recruitment Officer, Guardian Royal Exchange Assurance, Royal Exchange, London EC3V 3LS.

Hoggett Bowers
Executive Search & Selection Consultants

European Auditor

Brussels $20,000 - $25,000

Our client, a major US pharmaceutical company, requires a young qualified accountant for their compact Brussels-based internal audit team whose operational duties are expanding rapidly. The work entails 50% of travel throughout Europe with the facility to return home at week-ends.

Candidates, probably 27-32 must speak fluent French and have the potential to move into line management in two years. The fringe benefits are excellent.

Mrs. Indira Brown, Ref: 19051/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852
Sutherland House, 5-6 Argyll Street, W1E 6EZ
Offices also in Birmingham, Glasgow, Leeds, Manchester, Newcastle, Preston, Sheffield and Australia.

ACCOUNTANTS

For Zambia Industrial and Mining Corporation Ltd. (ZIMCO)

ZIMCO is a Group with twelve main industrial and commercial subsidiaries, whose activities include manufacturing, trading, banking, insurance, mining, transport, real estate, hotels, medical, and pharmaceutical.

Accountants are required to fill a number of vacancies that have arisen as a result of continuing expansion, progress, reorganisation and end of contract expatriates leaving.

Candidates should possess ACA, ACCA, ACMA or equivalent qualifications and have at least three years' post qualification experience.

Appointments are on a three year contract, offering an attractive salary with a 25% Gratuity on completion. One third of salary may be remitted to home country every month.

Other benefits include: Subsidised furnished housing * Car-purchase scheme * Baggage allowance * Paid return air fare.

Zambia is situated in central Africa, has a pleasant temperate climate, good social amenities, game parks and other tourist attractions within driving distance.

Applications giving full details should reach the undermentioned address not later than 25th October 1976.

The Recruitment and Administration Manager,
Zimco Services, Ltd., Zimco House,
129-139 Finsbury Pavement, London EC2A 1NA.

Financial Controller/ Company Secretary

c. £7500 + Car and benefits

Our client, a leader in the gifts/housewares industry offers an exciting opportunity to a qualified accountant.

Aged 35-45, he or she must be able to prove success achieved in a manufacturing environment, with emphasis on costing, and have the personality and ability to aspire to the Board.

You'll report to the MD, start c. £7,500 plus car, and benefits including removal assistance to the west of England.

Write with full career details, in confidence, to R.R. Taylor, Managing Director, B & B Recruitment Limited; 197 Knightsbridge, London SW7.

CHIEF ACCOUNTANT City Bank

A qualified accountant with some years experience in producing monthly, quarterly and end of year published accounts is required to fill the post of Chief Accountant at this City merchant bank, which is part of a major British industrial Group.

The successful applicant will initially control the accounts department, and will over a period of time assume responsibility for the preparation and interpretation of computerised data and the provision of budgetary and other management control information. Previous experience of accounting systems based on computer data is essential. In the first instance please apply in complete confidence, giving full details of qualifications and past career, and stating companies to whom you do not wish your application to be sent, to:

J. Birchall, Royds Recruitment Limited, Royds House, Mandeville Place, London W1M 6AE.

WANTED

OVERSEAS POST

Sought by middle management executive age 33, married, one chi[...] Experienced in air charter and insu[...]ance. Sound administrator. Suited [...] temperament and inclination to plant[...]tion management, tropical husband[...] or possibly commercial house admini[...]stration. Regret, no short term con[...]tract acceptable, but desire a lo[...]term career in exchange for hard-work[...] integrity and absolute loyalty.

Available now.
Write Box A.5704, Financial Times, 10, Cannon Street, EC4P 4BY.

MANAGING DIRECTOR

Expanding Continental Operations

[illegible]

Write Box A.5716, Financial Times, 10, Cannon Street, EC4P 4BY.

GENERAL APPOINTMENTS

Our client, an international bank and affiliate of one of the foremost banking groups, is seeking to appoint a

Chief Loan Officer

International Finance

to its German headquarters.

The successful applicant should have a minimum of 3 to 5 years relevant experience in international finance acquired either with a merchant or Eurobank or possibly with an appropriate commercial banking institution.

The candidate

- must have thorough knowledge of all facets of Eurocurrency loan transactions
- must be familiar with all aspects and details of this specialized market.
- must be completely fluent in English and should preferably have a working knowledge of German.

The candidate must furthermore be of the appropriate stature required to develop and maintain high-level contacts, and deal effectively with clients. His main responsibilities will include the development and supervision of the Bank's Eurocurrency loan business. *Area experience in developing countries would be an advantage.*

The total compensation package is subject to negotiation and will be commensurate with the qualifications and professional experience of the individual, as well as the importance of the position.

Qualified applicants interested in a career position working in a young dynamic atmosphere with plenty of challenge are requested to apply in strictest confidance by sending a resume with full details of career experience, qualifications and present remuneration to:

Charles Barker GmbH
Management Selection International
Attention: Mr. Richard Cerdán
Kettenhofweg 137 · 6000 Frankfurt 1
· West Germany

Thomas Tilling

PENSIONS MANAGER c£10,000

The Thomas Tilling Group, one of Britain's largest public Companies, with nearly 40,000 employees in the UK and overseas, requires an outstanding Pensions Manager.

The Manager is a senior member of the management team at the Group's Headquarters. He or she will be responsible for the operation of Group Pension arrangements and for the administration and development of the Pensions Department. Technical assistance and advice is also provided to the trustees, the Company and its subsidiaries. Group schemes are self administered with external investment advisers.

Applicants should have had successful experience of modern pensions management and must be effective administrators and communicators.

A salary commensurate with the appointment will be negotiated with appropriate fringe benefits including a company car.

Please write in strict confidence giving details of age, education, qualifications and full career and salary progression to:
F. R. Black, Financial Director,
Thomas Tilling Limited, Crewe House,
Curzon Street, London W1Y 8AX

GENERAL APPOINTMENTS ARE CONTINUED TO-DAY ON THE FOLLOWING PAGE

Norwegian Shipping Group and Norwegian Industrial Company

seeking:

GENERAL MANAGER

- development of substantial project in the Middle-East. Head office in Oslo, Norway -

Our clients, who are well founded Norwegian companies, have joined forces to establish and operate a substantial industrial and commercial venture in the Middle-East.

The Joint company under formation will be responsible for developing and operating the project. The initial investment will amount to approx. 10 mill. dollars.

The Joint company will have its head office in Oslo, Norway. The general manager should, however, be prepared for extensive travelling and it will possibly be necessary for him to reside part time in the Middle-East during the development of the company.

We are looking for an internationally oriented administrator, age 34—45, with

— sound commercial education
— wide international experience combined with involvement in negotiations
— good knowledge of financial and economic matters, preferably with practical experience
— creative powers and good results from previous activities.

This is a challenging and interesting job both personally and professionally.

Applications marked 1940 — General Manager — giving fullest information of background and experience should be sent to our address at Fr. Nansens plass 5, Oslo 1, Norway, telephone Oslo 20 82 55.

All information will be kept in strict confidence.

Aukner & Neuman as
International Management Consultants

ASSISTANT GENERAL MANAGER

(Administration)

Applications are invited for this senior executive position in a rapidly expanding Society (Assets £50m) from suitably qualified persons (ABS, ACIS minimum) who have at least 5 years' experience in a senior management position at the head office of a building society.

The position involves responsibility for all H.O. departments except Advances and Securities. The total remuneration package will include all usual building society fringe benefits including a car, and the salary will reflect the importance of this position in the Society's future plans. Full details of experience, qualifications, present salary, etc., in confidence to: P. Spence, ABS, General Manager & Secretary.

Sussex County Building Society
11 High Street, LEWES, East Sussex. BN7 2LL.

Commercial Bankers

Corporate Account Management in Canada

A leading Canadian bank is undertaking a further expansion of an extensive development program designed to increase its capability to service the financial needs of major corporations.

The program is administered by Corporate Account Managers supported by Financial Analysts operating from corporate management groups principally located in Toronto, Ontario. Each Manager is responsible for the administration and development of profitable loan, deposit and service business of an important portfolio of corporate customers.

Our client is seeking candidates for the following positions, which are likely to be of interest to applicants who possess a recognised qualification in accounting and/or business administration:

Corporate Account Managers

Candidates for these senior positions will be seasoned bank officers with substantial experience in the field of corporate loan evaluation and negotiation. They must have the capacity to meet the demands of a highly competitive and growth-oriented environment coupled with the motivation to function effectively with minimum supervision. The interpersonal and communication skills necessary to deal with corporate officers at the highest level are essential. Ref. B.1352.

Financial Analysts

Candidates for these positions will be able to demonstrate several years' practical experience in the analysis and interpretation of corporate financial statements. They will have some exposure to complex loan negotiations and will have been identified as having the potential to develop to senior management positions. Ref. B.1353.

All positions offer excellent career development opportunities together with competitive starting salaries and a full range of employee benefits, including relocation assistance.

Interviews will be conducted in London shortly.

Please write, quoting the appropriate reference and giving full details of your experience, education and present earnings. These will be forwarded direct to our client. List separately any banks to whom your application should not be sent.

MSL CONFIDENTIAL RECRUITMENT 17 STRATTON STREET LONDON W1X 6DB
A member of MSL Group International

Controller Product Engineering

Northern Home Counties — in excess of £10,000 + car

Our clients are a division of a major international company and responsible for developing and manufacturing high-technology products for world-wide markets. Overall responsibility for the product engineering activity, which has a multi-location base, rests with the Director of Engineering. This new position has now been created to provide functional support to the Director of Engineering and to take responsibility for the Financial Planning and Control departments of manufacturing locations. This is a demanding appointment which calls for the ability to analyse operational and financial problems, recommend courses of action and ensure their proper implementation. Applicants should therefore have a high level of educational achievement and a successful career in industry which has included responsibility for planning and guiding complex engineering programmes within an environment of strong financial disciplines. REF: 675/FT. Apply to: R.A. Phillips ACIS, FCII, 2–4 King Street, St. James's, London SW1Y 6QL. TEL: 01-930 9982.

Phillips & Carpenter
Selection Consultants

MANAGEMENT RECRUITMENT & TRAINING SERVICES

The Financial Times is planning to publish a Survey on Management Recruitment and Training Services. The provisional editorial synopsis and date are set out below:

DATE: Thursday, 21st October, 1976

Hardly any activity can be more important than that of choosing and preparing people for the more responsible jobs. Always difficult, these elements of personal work look bound to become more so. Perhaps because of an awareness of the complexities, there has evolved a range of specialist advisory services behind the personnel executive held responsible for engaging and developing the managerial force of a working organisation. But the fact that such services exist does not mean that their employment always improves the effectiveness of selection and training.

The purpose of this Survey, which will coincide with the opening of the Institute of Personnel Management's annual conference, is to discuss the crucial problems facing the executives responsible for selection and development of organisations' managers, and of how specialist services in manpower planning and training can best be used in overcoming them. Articles will cover:

1. **The Challenge to the Personnel Profession**
2. **Manpower Planning Services**
3. **Recruitment Services**
4. **Training Services**

The content and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

Phillips & Drew

INSURANCE SHARE ANALYST

Phillips & Drew are seeking an insurance share analyst to join their equity research team. Ideally, candidates should have had at least two years' experience in equity research and should have spent most of that time covering the insurance sectors. However, applicants with an actuarial or insurance industry background who wish to make a career in investment analysis will also be considered. Remuneration is competitive and there is scope for rapid advancement for the successful. There is a profit-sharing scheme, pension fund and other benefits. Please apply to the Staff Manager.

Phillips & Drew
Lee House, London Wall, London EC2Y 5AP

FINANCIAL SERVICES

Old established Company of high reputation is making logical expansion of its services into commercial lending and mortgage finance.

Young executive needed to set up and run the new operation. Existing sources of business indicate profit position within six months.

Successful applicant will have had commercial banking experience; probably A.I.B. Some broking/insurance knowledge useful but not essential.

Remuneration package tailored for right person.

Apply in absolute confidence, giving full career details, to Managing Director, Box A.5716, Financial Times, 10 Cannon Street, EC4P 4BY.

Overseas principals establishing London office, require experienced

COMMODITY BROKER

having specialised knowledge in grain with excellent U.K./Continental/U.S.A. Far and Near East connections to take sole charge. Offering basic salary and participation in commissions earned. Written reply in strict confidence giving full curriculum vitae to Mr. R. Merton, c/o Merton Pipes (London) Ltd., Unit 17, 784/792 High Road, London N17 0DA.

COMMODITY TRADER

International Company seeks a Commodity Trader with at least 2-3 years' experience to handle oilseeds and pulses. Salary negotiable. Please telephone Mr. F. Innes on 01-626 6525 for further details

Assistant Investment Manager

for Philips and Pye Pension Funds

Applications are invited from men and women for this post to assist the Manager of the Department in obtaining maximum returns on the investment of the Philips and Pye Pension Funds.

Knowledge of all sectors of investment is required, gained ideally, through several years experience in a pension fund or insurance company. A financial qualification would be advantageous.

Salary will be negotiable in line with the responsibilities involved. The location is London (City) – assistance with removal expenses if required.

Please write with career details to Personnel Manager, Philips Industries, 11-12 Hanover Square, London W1A 4QP.

GENERAL APPOINTMENTS

A Nigerian bank seeks candidates for a number of senior posts in the bank's general management. United Bank for Africa Ltd. is growing at a rate of 30% a year, and wishes to recruit a number of senior personnel who will not only undertake their own duties, but will have crucial responsibilities for training their Nigerian assistants and counterparts:

ASSISTANT GENERAL MANAGER (FINANCE)

is required to undertake management and control of the bank's entire accounting system. The AGM (Finance) is a part of the enlarged general management committee of the bank and is answerable for matters concerning the bank's accounting and budgetary procedures.

This post calls for a C.A. or an M.B.A. with a successful ten-year track record in financial administration, including budget and cost control, internal audit procedures and total familiarity with computerised accounting.

A FINANCIAL CONTROLLER

to insure that proper accounting procedures are developed and implemented, to assist in the preparation of capital and general expenditure budgets and monitor their activity, control the level of funds in the bank's domestic and overseas accounts and employ the resources of the bank according to the policies established by the management committee.

This post also requires a C.A. or M.B.A. with at least ten years' experience in financial administration including budget and cost control and internal audit procedures. Experience in foreign currency management would be an advantage.

A FOREIGN DEPARTMENT (INTERNATIONAL) MANAGER

to supervise and control the exchange control and bills and credit operation throughout the bank and to initiate and follow-up with the appropriate authorities matters concerning inward and outward remittances and corrections. The Foreign Department (International) Manager will undertake appropriate functions within the bank and liaise closely with colleagues and correspondent banks.

The successful candidate will be at least 35 years of age, a graduate and/or A.I.B. with at least ten years' in-depth experience and proven performance record in bills and credit and foreign exchange responsibilities. The candidate will also have at least five years' experience in managing a bill and credit department in a commercial international bank.

A MANAGER, ORGANISATION AND METHODS

with responsibility to increase efficiency and improve customer services for the bank. The Organisation and Methods Manager will have a wide field: advise branch management, devise and implement new procedures, introduce advanced equipment, undertake time and motion studies, etc.

Candidates should be at least 35 years of age, graduates with a strong organisation and methods background, and knowledge of computers, preferably in a bank or financial institution.

The conditions of appointment are outstanding. The bank provides housing, payment of utilities, domestic staff, car and driver, 68 calendar days of leave annually, return travel to Europe for the employee and his family for leave, etc. On the financial side, salaries are internationally competitive with appropriate arrangements for life insurance, medical insurances, etc. Interested applicants should send, in confidence, their full C.V.s with photos, to:

ORT TECHNICAL SERVICES
12, GLOUCESTER PLACE,
LONDON W1H 4EQ, ENGLAND.

Business and Market Planning Executive

CENTRAL LONDON c£5500

EMI Records Limited, the country's largest and oldest established international recording company, needs an Economics or Business Graduate to assist their Business Planning Manager.

The successful applicant will be responsible for market planning and research, participate in the forecasting of economic and market trends, and assist in the development and implementation of short and medium term business plans.

Probably aged between 28 and 35, the man or woman appointed must have had several years experience in both the market research and corporate planning activities of a major company involved in the manufacture, distribution and marketing of consumer goods. Knowledge of and familiarity with management accounting techniques are also required.

A salary of c £5,500 is offered, together with an attractive range of benefits appropriate to a senior position in a major company which is part of an International Group.

Applications should be submitted in writing giving a brief resume of background and experience to date.

To: Martin Norwood, Personnel Officer, EMI Records Ltd, 33 Duke Street, London, W.1.

EMI RECORDS EMI

Confidential Reply Service

Assistant Pensions Manager

London Area c.£4,750

Our client, a major international group employing over 30,000 in the UK, requires a man or woman with experience of Pensions Administration to become the group's Assistant Pensions Manager.

Probably around 35, you should have had a number of years basic pensions administration experience, probably as an Assistant Manager with a large organisation, or managing a smaller unit.

You will be concerned with administering the Pensions scheme which has currently 6,000 members and substantial assets.

Although a professional qualification would be an advantage, more emphasis will be placed on potential, both in terms of management ability and the ability to interpret government legislation.

The starting salary will be around £4,750, supplemented by an attractive range of company benefits. Opportunities for career progression within this expanding organisation are good.

Please write with full career details to R.R. Taylor at the address below quoting reference APM/155/FT.

List separately any companies to whom you do not wish us to forward your reply. All replies will be answered.

B&B

Benton & Bowles Recruitment Limited 197 Knightsbridge, London SW7

NON EXECUTIVE BANK DIRECTOR

Banker, qualified A.I.B., preferably with experience of overseas Banking, required for non-executive Directorship of small private Bank. Currently expanding rapidly in overseas business.

Please reply to Box A.5720, Financial Times, 10, Cannon Street, EC4P 4BY.

STERLING DEALER

Aged under 30 with foreign currency experience required for small but expanding merchant bank.

Ring 01-283 3122 Ext. 264

Portfolio Manager

City Merchant Bank New Appointment

Our client is the merchant banking arm of a well-established international bank with a strong presence in the Middle East. The increasing requirements of their international clientele have led the Bank to provide more fully the various financial services normally offered by a banking group, including the management of investment portfolios for individuals and institutions.

The position of Portfolio Manager will involve direct responsibility for the setting up and management of the Bank's Portfolio Management Department. There will be close working relationships with top management and considerable scope for initiative in developing business for the Department. The requirement is for a dynamic man or woman, in the 35–45 age group, with substantial experience in the field.

The right person will have a practical knowledge of both the international and the London stock and bond markets. He or she will currently be operating successfully in a similar role with a merchant bank, either as a Departmental Head or as an able Deputy.

Our client offers a remuneration that reflects the importance of this appointment to the Bank's development. Opportunities for career development within an expanding organisation will be largely in the hands of the successful candidate.

Please write in confidence with full c.v. to Position No. AGP 5668, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

SALES MANAGER

O.E.M./ELECTRICAL

The U.K. subsidiary of a U.S. company, seeks a sales-manager with total sales responsibility for a top quality, high volume, low priced product line sold to O.E.M. accounts and through electrical distributors. Applicants (male or female) should be capable of assuming the General Manager's position when present accountant retires within 2 or 3 years. Location is north of London. Attractive salary and benefits are offered. London interviews to be held in October. Please submit resumés to:

Edwin H. Martin, Principal
David North and Associates
Management Selection Consultants
645 N. Michigan Avenue
Chicago, Illinois 60611

THE ADVERTISING ASSOCIATION

HEAD OF COMMUNICATIONS

The Advertising Association is looking for an experienced public relations man or woman to plan and implement a wide range of public activities, supervise the production of publications, and liaise with the Association's committees. Ideal candidates will be in their thirties, widely experienced and skilled in the techniques of communication, and are unlikely to be earning less than £7,000. The post provides a first-rate opportunity in a developing career. Please send a brief curriculum vitae to:—

The Director-General,
The Advertising Association,
Abford House,
15 Wilton Road,
London SW1V 1NJ

INTERNATIONAL LLOYD'S BROKERS SEEK

C.A.R. NEW BUSINESS BROKER to develop the European market. The candidate will be an experienced professional with a good knowledge of the European construction business and be fluent in at least two European languages. An excellent negotiable salary and benefits are offered.

C.A.R. TECHNICIAN circa 25 with good experience of the C.A.R. market. Excellent salary and benefits offered.

Contact Reference R.T.E.:

Eves Little Associates
International Recruitment Specialists
38 Bow Lane London EC4M 9DT Tel: (01) 236 5851/2/3

INTERNATIONAL INVESTMENT BANK

is seeking

EUROBOND DEALERS

—with experience in the same field and placing capacity
—fluent English and French. Third language an asset
—location in Paris

Please reply in strict confidence to
Box No. F457, The Financial Times, 10 Cannon Street, EC4P 4BY

FINANCIAL RESEARCH ANALYST

An analyst is required in his or her mid to late 20s with an economic background, who has had at least two years' experience in a Bank, Stockbroker or other financial institution to join a small department handling Business Development and Research in an old established City Merchant Bank.

The job involves the responsibility of carrying out research projects involving:—

1. Analysing Company Accounts.
2. Economic studies of U.K. Industrial and Trading Sectors.
3. Desk Market Research, etc.

A competitive salary based on qualifications and experience would be paid and certain fringe benefits which are normally associated with a position in a City Merchant Bank are available.

Please apply in confidence to:—

The Staff Manager,
c/o WALTER JUDD LIMITED, Ref: FR748,
(Incorporated Practitioners in Advertising),
1a, Bow Lane, London, EC4M 9EJ,

and indicate the names of any Companies to whom you do not wish your reply to be sent. If the list includes the Company involved, your application will be destroyed.

LEADING METAL STOCKHOLDERS

require managing director designate who would be Midland based and be appointed chief executive within two or three years. Replies giving career details and salary expectations should be sent in confidence to Box A.5719, Financial Times, 10, Cannon Street, EC4P 4BY

SALES MANAGER

O. E. M./ELECTRICAL

U.K. subsidiary of a U.S. company seeks a Sales Manager with total sales responsibility for a top quality, high volume, low priced product line sold to O.E.M. accounts and through electrical distributors. Applicants should be capable of assuming the general manager's position when present incumbent retires within 2 to 3 years. Location is north of London. Attractive salary and benefits are offered, London interviews to be held in October. Please submit resumes to:

Edwin H. Martin, Principal
DAVID NORTH AND ASSOCIATES
Management Selection Consultants
645 North Michigan Avenue, Chicago, Illinois 60611

ASSISTANT DEPARTMENT HEAD

Circa £4,500

Int. Bankers seek a young pc qu I.B.A. or A.C.C.A. aged 22+ prospective acc't. Fringe benefits inclu a subsidised mortgage and person loan at 3% plus high O/T rates. Re requ'd.: B. of E. returns. FX. analy of expenditure Sterling/currency con and etc.

Please call Mr. James, Wre Personnel, 7 New Burlington Stre London, W.1. Tel: 01-439 6561.

COMPANY NOTICES

GENERAL MINING AND FINANCE CORPORATION, LTD.
(Incorporated in the Republic of South Africa)

DIVIDEND NO. 101—
COUPON NO. 103

HOLDERS OF SHARE WARRANTS TO BEARER will receive payment on or after the 22nd October, 1976 at the rate of 62.26597p the amount declared per share less 9.33990p being South African Non-resident Shareholders' tax of 15% against surrender of Coupon No. 103.

Coupons must be deposited for THREE CLEAR DAYS for inspection before payment will be made:—

In London at National Westminster Bank Limited, Stock Office Services, 2nd Floor, 41, Lothbury, London, E.C.2.

In Paris at Crédit du Nord et Union Parisienne, 6 and 8, Boulevard Haussmann.

In Basle at Swiss Bank Corporation.

In Zurich at Credit Suisse.

Coupons belonging to holders resident in Great Britain and Northern Ireland will be paid as follows:

	p
Amount of Dividend after deduction of South African Non-resident Shareholders' Tax of 15%	52.92607
Less: United Kingdom Income Tax of 20% on the gross amount of the Dividend of 62.26597p	12.45319
	40.47288

Listing forms can be obtained on application to the National Westminster Bank Limited, at the address shown above.

BY ORDER
GENERAL MINING AND FINANCE CORPORATION, LIMITED
R. R. BISHOP,
London Secretary.

London Office:
Princes House,
95, Gresham Street,
London, E.C.2V 7EN.
12th October, 1976

NOTE

Under the double tax agreement between the United Kingdom and the Republic of South Africa, the South African Non-resident Shareholders' tax applicable to the dividend is allowable as a credit against the United Kingdom tax payable in respect of the dividend. The deduction of tax at the reduced rate of 20 per cent instead of at the basic rate of 35 per cent represents an allowance of credit at the rate of 15 per cent. The gross amount of the dividend received to be entered by the individual shareholder on any return for income tax purposes is 62.26597p multiplied by the number of shares held.

MORRIS BROTHERS LIMITED

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS of the Company will be CLOSED from the 16th November to 30th November 1976 both days inclusive for the payment of 6 months interest to 30th November, 1976 on the 7¼% Unsecured Loan Stock 1995-2000 and an interim dividend of 2.45% on the 7% Cumulative Preference Shares for the half year to 31st August, 1976.

By Order of the Board.
R. H. L. BUCKEY,
Secretary.

MEMBER ARBITRAGEUR with substantial overseas clientele desires to establish overseas department with medium sized firm. Write Box A.5721, Financial Times, 10, Cannon Street, EC4P 4BY.

LEGAL NOTICES

No. 003360 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of ADACREST LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 8th day of October, 1976, presented to the said Court by FRIEDA ELLEN CLARKE (Widow) of 7, Viking Close, Stamford Bridge, York and Oretta Muriel Myers (Married Woman) of 42, George Street, Pocklington, York, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 8th day of November, 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

TURNER PEACOCK,
1, Raymond Buildings,
Gray's Inn,
London, WC1R 5BJ.
(Ref.: ROD/CH/4a),
Solicitors for the Petitioners.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 5th day of November, 1976.

No. 003365 of 1976

In the HIGH COURT OF JUST[ICE] Chancery Division Companies Court, [In] the Matter of CREEDBROOK ENGINE[ER]ING LIMITED and in the Matter of [The] Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding-Up of the above-named Company by the High Court [of] Justice was, on the 4th day of Octo[ber] 1976, presented to the said Court [by] the COMMISSIONERS OF CUSTO[MS] AND EXCISE of King's Beam Ho[use] 39-41, Mark Lane, London EC3R 7[HE] and that the said Petition is direc[ted] to be heard before the Court sitting [at] the Royal Courts of Justice, Stra[nd] London WC2A 2LL, on the 8th day [of] November 1976, and any creditor [or] contributory of the said Company desirous to support or oppose the making of [an] Order on the said Petition may ap[pear] at the time of hearing, in person [or] by his Counsel, for that purpose; [and] a copy of the Petition will be furnis[hed] by the undersigned to any creditor [or] contributory of the said Company requir[ing] such copy on payment of the regula[ted] charge for the same.

G. KRIKORIAN,
King's Beam House,
39-41, Mark Lane,
London EC3R 7HE.
Solicitor to the Petitioners.

NOTE.—Any person who intends [to] appear on the hearing of the said Petit[ion] must serve on or send by post to, [the] above-named notice in writing of [his] intention so to do. The notice must sta[te] the name and address of the person, [or] if a firm, the name and address of [the] firm and must be signed by the pers[on] or firm, or his or their solicitor (if an[y]) and must be served, or, if posted, mu[st] be sent by post in sufficient time [to] reach the above-named not later th[an] four oclock in the afternoon of [the] 5th day of November 1976.

No. 003366 of 1976

In the HIGH COURT OF JUST[ICE] Chancery Division Companies Court. [In] the Matter of MARCHGREEN LIMIT[ED] and in the Matter of The Compa[nies] Act, 1948.

NOTICE IS HEREBY GIVEN, that [a] Petition for the Winding-Up of the abo[ve-] named Company by the High Court [of] Justice was, on the 4th day of Octo[ber] 1976, presented to the said Court [by] the COMMISSIONERS OF CUSTO[MS] AND EXCISE of King's Beam Hou[se] 39-41, Mark Lane, London EC3R 7H[E] and that the said Petition is direc[ted] to be heard before the Court sitting [at] the Royal Courts of Justice, Stra[nd] London WC2A 2LL, on the 8th day [of] November 1976, and any creditor [or] contributory of the said Company desir[ous] to support or oppose the making of [an] Order on the said Petition may app[ear] at the time of hearing, in person [or] by his Counsel, for that purpose; [and] a copy of the Petition will be furnish[ed] by the undersigned to any creditor [or] contributory of the said Company requir[ing] such copy on payment of the regulat[ed] charge for the same.

G. KRIKORIAN,
King's Beam House,
39-41, Mark Lane,
London EC3R 7HE.
Solicitor to the Petitioners.

NOTE.—Any person who intends [to] appear on the hearing of the said Petit[ion] must serve on or send by post to, [the] above-named notice in writing of [his] intention so to do. The notice must st[ate] the name and address of the person, [or] if a firm, the name and address of [the] firm and must be signed by the pers[on] or firm, or his or their solicitor (if an[y]) and must be served, or, if posted, mu[st] be sent by post in sufficient time [to] reach the above-named not later th[an] four oclock in the afternoon of [the] 5th day of November 1976.

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PUBLIC NOTICES

BIRMINGHAM COUNCIL BILLS

The £7m. ninety-one day Bills we[re] issued today with maturity on the 13 January 1977. Applications total[led] £63.75m. The minimum price accept[ed] was £96.44½%. The average rate [of] discount was 14.2490385%. The to[tal] Bills outstanding is £19m.

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LABOUR NEWS

NCB sympathetic to miners' retirement plan

BY ROY ROGERS, LABOUR CORRESPONDENT

[MI]NERS' LEADERS meet this [mo]rning to consider the National [Co]al Board's reply to their de[ma]nds for the miners' retire[me]nt age to be reduced by 10 [yea]rs to 55 by 1980.

[T]he reply, which expresses [sym]pathy with the concept of [ear]ly retirement for miners [whi]le underlining that the [pre]sent pay policy precludes any [agr]eement before next August [at] the earliest, was delivered to [Mr.] Joe Gormley, president of [the] National Union of Minewor[kers], last night.

[It] underlines points made to [the] negotiators yesterday—[tha]t the claim would cost the [NC]B more than £1,200m. by [198]0, and could therefore not [be] met without Government [hel]p.

To-day's monthly meeting of [the] full NUM executive may decide to press for a ballot on whether to stage industrial action to support the claim.

But it seems more likely that they will agree to further talks with the NCB before carrying out the ballot which was decided at the union's annual conference in July.

Conference resolutions also called for reduction of the retirement age to 60 from January, then further annual reductions until 1980, an extra week's annual holiday, and improved sickness and accident benefit.

These demands were lodged yesterday together with the regular demand for a return to their traditional November annual pay date which was switched to March as a result of the 18-month agreement that settled the 1972 miners' strike.

The NCB has already expressed some sympathy for the miners' aims and has drawn up its own scheme for offering voluntary early retirement from 62. This scheme, which the NCB would like introduced, requires Government financial support.

It appears that an offer based on this scheme, and possibly extending it to 60, might be sufficient to avert any industrial action, especially as NUM officials are well aware that if their demands are met the industry would lose about a third of its labour force and be left drastically undermanned.

Mr. James Callaghan, the Prime Minister, has already declared to the Commons that the miners' aspirations should be "seriously considered." But at recent talks with NUM officials told them he could not anticipate the NCB reply.

Ford unions seeking 37½-hour week

BY CHRISTIAN TYLER, LABOUR STAFF

[UN]IONS at Ford Motor are to [beg]in a campaign for the work[ing] week to be cut from 40 to [37½] hours. Negotiators told the [com]pany yesterday that this [wou]ld be one of the main items [in] next year's pay claim.

[T]alks on this year's claim, due [for] settlement in a week, were [adj]ourned yesterday and resume [on] Tuesday.

[T]he unions have not yet [form]ally accepted the offer of [£2.50]-£4 rises in earnings—the [max]imum permitted by the [pres]ent pay policy—but have [alr]eady said they will stay within [the] voluntary guidelines.

[C]ommitment

[T]hey are still, however, look[ing] for improvements in the [am]ount and duration of lay-off [pay], on which the company has [alr]eady made some concessions.

[A]lso, they believe that their [dem]ands for payment for the [firs]t three days' absence through [sic]kness, for better pensions, for [50-]50 control of the pension fund, [for] free overalls and a freeze on canteen prices, can be met within the wage policy.

Yesterday they asked that the £2.50 a week "floor" for earnings rises should be automatically paid in cases where workers were unable to complete a full week because of short-time or sickness.

Because of the way the policy is drawn up, the 5 per cent. permitted pay rises have to be calculated anew every week on the basis of a worker's earnings the week before.

In the longer term, the unions want a commitment which Ford has refused to give that it will pay the same rates in Britain as in its European factories.

● The dismissal of a plumber at Chrysler's Linwood factory, Scotland, for allegedly sleeping on a night-shift was accepted by the plant's 127 maintenance workers yesterday. The men have decided to drop their protest. The issue covers a two-day strike last week by the maintenance workers, the first at Linwood for more than six months.

Union calls for action on textile imports

A CHARTER to safeguard the Lancashire textile industry against damaging cheap imports has been produced by union leaders of 40,000 mill workers.

It urges that low-cost foreign mills should be limited to a share of not more than 40 per cent. of Britain's home market for cotton and allied textiles.

"United Kingdom mills would then be required to compete with developed countries for the balance," says the Amalgamated Textile Workers' Union. "This would be a generous act towards developing countries and far in excess of any other developed country's contribution."

The home market stake allotted to low-cost countries should be divided on a country-by-country basis to ensure that the total was kept within a global limit.

A new international agreement with "major modifications" should be worked out when the GATT Multi-Fibre Agreement expired at the end of next year. This would offer the best way of regulating international textile trade "in a civilised and coherent manner."

The union adds: "If the textile industry is to attract capital investment which will provide future employment and remain competitive in international markets it will need to be assured that its efforts are not undermined by unacceptable levels of low-cost imports."

[I]sle of Grain peace hope [a]fter unions meet CEGB

[B]Y OUR LABOUR STAFF

[NE]W MOVES to end the 16-[wee]k strike which has halted [buil]ding of the £300m. power [sta]tion at the Isle of Grain, Kent, [the] biggest oil-fired station in [Eu]rope, are expected to follow [yes]terday's meeting between the [Cen]tral Electricity Generating [Boa]rd and the unions.

[M]r. Ron Burbridge, CEGB pro[jec]t manager, explained to the [uni]ons the restructuring of con[tra]ctors' responsibilities after [a] decision by Babcock and [Wil]cox, main contractors on the [sit]e, to give up part of their re[mai]ning contract.

[C]EGB officials hope this [cha]nge will end the deadlocked [neg]otiations. Originally the dis[put]e was over safety overalls for [sc]affolders. After recommen[dat]ions from the Factories Inspectorate that they were entitled to protective clothing it became clear that wider issues had become involved.

Over 900 building workers who walked out in sympathy with the scaffolders were later sacked by the contractors, who said they would not be re-employed till agreement on improved productivity and adherence to negotiating procedures was reached.

Since the dispute started in June a further 1,000 workers have been laid off.

The Isle of Grain power station is designed to produce 3,300 MW, some of which should have come "on stream." But because of troubled industrial relations, construction is a year or more late.

Demo to attack spending cuts

By Our Labour Staff

POLICE PERMISSION has been given for a demonstration against public spending cuts and high unemployment at Westminster on November 17, the day of the State Opening of Parliament.

The demonstration will be by eight unions with a total membership of 2.5m. workers, joined by the National Union of Students. A march will assemble at Hyde Park and make its way to Westminster, where there will be a lobby of Parliament and a meeting in Central Hall.

Unions taking part in the action argue that cuts in public spending are "irrelevant to Britain's basic economic problems."

[L]eft-winger apologises [t]o seamen's leader

BY OUR LABOUR STAFF

[MR.] JIM SLATER, general [secr]etary of the National Union [of] Seamen, received a public [apo]logy in the High Court [yest]erday from one of the [unio]n's leading Left-wingers [who]m he claimed, had accused [him] of ballot-rigging.

[T]he apology came through [cou]nsel for Mr. Joe Kenny, a [Com]munist on the NUS execu[tiv]e, whom Mr. Slater had sued [for] slander following remarks by [Mr.] Kenny during the recent [bal]lot on industrial action which [led] the union to call a national [stri]ke.

[M]r. Peter Bowsher, for Mr. [Sla]ter, said that on August 25, [men] aboard the S.S. Dover at [Hol]yhead had understood Mr. [Ke]nny to be alleging that the [NU]S head office, with the com[pli]city of Mr. Slater and other [offi]cials, was spending a large [su]m of money in an effort to rig [the] ballot.

[M]rs. Laura Cox, for Mr. [Ke]nny, said he had at no time [int]ended to suggest that the ballot had not been properly conducted. He apologised if he had given a contrary impression.

Mr. Slater had claimed damages and an injunction against Mr. Kenny. Mr. Bowsher said that in the circumstances he was content to have his legal costs paid by Mr. Kenny.

Direct labour information

THE ASSOCIATION of Metropolitan Authorities is to provide further information on local authority direct labour organisations to Mr. Reg Freeson, Minister of State at the Department of Environment. This follows a meeting on Monday at which the association's public works committee gave its view on legislation on the organisations.

Legislation to define the role of local authority direct labour forces is being drafted, following the reorganisation of local government in 1974.

Lockheed lays off 61 workers

THE Lockhead Joinery Co. is to make 61 workers redundant at its Darlington factory. The company, which employs 150, called in a receiver earlier this year because of financial difficulties.

£20,000 study on wife beating

THE DEPARTMENT of Health and Social Security is financing a £20,000 research project into the problem of battered wives.

The three-year project will be undertaken by a team of sociologists at Keele University directed by Professor Ronald Frankenberg, head of the department of sociology and social anthropology.

Closed shop moves opposed

BY OUR LABOUR STAFF

[PR]OPOSALS TO introduce a [clos]ed shop for British Airway's [...]00 employees in the U.K. are [bei]ng strongly opposed by white-[col]lar workers in the corpora[tio]n's London offices.

[A]lmost 550 staff have signed [a p]etition to the managing direc[tor], Mr. Henry Marking, pro[test]ing that a closed shop was [bei]ng negotiated with the unions [wit]hout consulting all staff.

[A]n action committee formed to [fig]ht the introduction of a closed [sho]p, following the management [fail]ure to respond to the peti[tio]n, now claims that a sample [sur]vey of BA staff reveals that [nin]e out of ten are opposed to a [clo]sed shop.

[T]he action committee claim [tha]t the survey, involving 454 [em]ployees, was carried out in [the] same way as "Gallup" polls. [It f]ound that only 29 people were [in] favour of a closed shop even [tho]ugh 276 of those questioned [wer]e in a union. Of these union members, some 160 said that they were prepared to "actively resist" enforcing a closed shop.

The 13 unions in BA are pushing for a closed shop which would include all existing as well as new employees with certain exemptions on religious grounds. This is similar to the closed shop in British Rail, agreed last year, which has so far led to over 60 employees being dismissed for failing to join a union.

BA management are in favour of increasing union membership in the corporation on the grounds that this leads to more effective industrial relations, but are believed to support a post-entry shop which would not affect existing employees.

The negotiations with the unions in BA have been in progress for some months, and an agreement is expected before the end of the year. But opponents claim that management is "gagging" information about the situation in the corporation's internal newspaper. They also claim to have been ignored by senior management on attempting to discuss the situation.

Journalists' move

Journalists on the Sun are preparing to withdraw their labour from October 28 in a dispute over membership of the National Union of Journalists.

The Sun NUJ chapel (office section) wants membership of the union to become a condition of employment. This is being resisted by the management although all present members of the editorial staff are NUJ members.

Official endorsement of the proposed strike action has been given by the NUJ leadership, and the support of other unions is being sought through the TUC printing industries committee.

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MONEY SOURCES AVAILABLE £250,000-£2,500,000. Write The Merchant Brokers Exchange, 56, Wigmore Street, London, W.1.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● AUTOMATION

Facts and figures captured quickly

TO HELP banks and financial institutions cope with the flood of cheques and other paper documents which is growing at a rate of at least 12 per cent. annually, NCR has developed equipment which operates independently of central data processors in validating and entering relevant information from the documents.

Based on a mini-computer, the distributive document processing system can have up to eight operator work stations and various types of peripherals from magnetic tapes to printers and communications units.

The 7750 will automatically handle most of the work in a banking repertoire for proof, sorting and reject/re-entry departments. Operators' decisions and operator entry of data have been cut to a minimum and output is validated information on magnetic media ready for a central computer. Throughput rates 15 to 20 times faster than traditional systems are claimed with a considerable saving on processing costs, particularly when the traditional equipment include such ancillaries as high speed reader-sorters.

Normally, document magnetic ink lines would be read at the proof station and the stored programs would tell the operator if any additional information was required. Encoding, endorsement and sorting follow automatically and the correct data is transferred to the selected medium for direct transfer or transmission.

A powerful installation in its own right, the eight-station unit with a reasonable amount of back-up would cost close on £164,000.

Pursuing this theme of automated transaction handling NCR has announced that its sales of POS (point of sale) and electronic cash registers world-wide have now exceeded the 200,000 mark of which over 50,000 units are POS installed by more than 350 companies.

Some 80 per cent. of these are in the U.S. and the company can assert without fear of contradiction that it is the world leader in this area of electronic accounting by a very wide margin.

NCR expects this market to continue to expand very fast both in the U.S. and in Europe and, since the ICL decision to continue to support and market the POS it inherited from Singer which was confirmed at the beginning of the month, this statement is of special interest in Britain and Europe.

EDP Europa analysis shows that ICL would aparently have an excellent market base in Britain already if all retailing users who base their data processing on ICL equipment went on to ICL POS. But it is a moot point whether the ICL market base for this type of equipment in Europe is large enough to support forward research and development and the necessary extensive hardware and software backing, particularly now that Univac, with its usually aggressive marketing, is preparing to attack the market and IBM's present low profile could change overnight should the need arise.

● MATERIALS

Epoxy pitch protective coating

ONE OF the few limitations of the latest epoxy surface coating from Lamacrest is that it is available only in black. Otherwise the company claims it is suitable for most industrial applications and costs £1/sq. metre, for two coats.

Adhesion to substrate (mild steel) is up to 17,000 kN/sq. metre, and the product is stated to have flexibility and crack resistance, making it tolerant to movement and vibration in the substrate.

Called Armourglaze Epoxy Pitch (pitch is used as an extender and plasticiser), the coating can be used to surface concrete, and can be made non-slip by broadcasting a suitable material (calcined bauxite, flint, etc.) over it while still wet.

The maker says it can be used on walls, floors, roofs, roadways, structural steelwork, for tank linings and on marine structures, and provides protection against corrosion, wear, water, and many chemicals. It can be brushed or rolled on, covering about 1 sq. metre/lb at a thickness of 0.012 inches.

More from Lamacrest, Crown Works, Cold Bath Road, Harrogate, Yorks. (0423 66656).

Colour cuts cooking time

REDUCED COOKING time, and ready identification of products before and after cooking, are the two main claims made for a heat-resistant lacquered aluminium foil used to produce containers for the bakery, take-away and catering markets.

Called Colorlok, the material has been developed jointly by Alcan Foils and International Pinchin Johnson. The lacquer system, including pigments, is stated to meet the requirements of the *U.S. Food and Drug Administration* for direct food contact.

Colorlok foil is resistant to most bakery foodstuffs. It withstands forming into containers, and the subsequent handling, without noticeable scuffing.

Various colours can be used to identify product lines in bakeries, and the colours are said to be resistant to freezing and baking temperatures. Use of a matt black foil gives increased heat absorption, and reduced cooking cycles.

Details from Alcan Foils, First Way, Wembley, Middx., HA9 0DH (01-902 6011).

Less damage to the crop

FROM THE time potatoes are lifted and loaded on to trailers until they are packed, the crop is subject to drop damage, resulting in bruising and splitting.

Now a kit of BXL Plastozote foamed polyethylene cut-to-size sheets is available for lining crop trailers up to 5 tonne capacity which is claimed to minimise drop damage. The sheets are joined with a special interlocking linkage, and the lining can be used for any crop subject to drop damage.

The Potato Marketing Board is now assessing the material for use on handling machinery, and at its Sutton Bridge, Lincolnshire, establishment, has found a lower rate of wear than the rubber previously used on the packing line. The Plastozote sheets are still in use with no visible signs of deterioration, whereas rubber sheets have to be renewed three times a year.

The Board reports that potatoes can be dropped on to the foamed polyethylene from heights above 13 inches without significant increase in damage.

Details from BXL Expanded Rubber and Plastic Division, 675 Mitcham Road, Croydon, CR9 3AL (01-684 3622).

Sharp edges resisted

TEAR AND puncture resistance is a feature of a new laminated sheet developed by Wiggins Teape and DRG Flexible Packaging. Another important aspect is imperviousness, as the sheet is intended for conversion into humidity-proof packages for heavy, sharp products such as screws, nuts and bolts, and machined components.

The material consists of *four* layers—Tyvek 10, polyethylene (PE), aluminium foil, and another layer of PE. Its high strength and durability is contributed by Tyvek, a fibre-based polyethylene sheet, resembling paper, developed in the U.S. by Du Pont. The aluminium foil and PE provide the moisture proofing.

Resistant to acid, alkali and water, the material can be made up into pouches which can be opened, then resealed if required, with a bench heatsealer (Wiggins Teape recommends one from Hulme-Martin, Chancery Lane, London WC2 1RF. 01-242 5448).

The laminate, which can be pre-printed, is available in reels or sheets up to 1 metre wide from DRG Flexible Packaging, Filwood Road, Bristol, BS16 3RY (0272-656 232), a Dickinson Robinson company. Tyvek 10 is marketed in the U.K. by Wiggins Teape Paper, P.O. Box 88, Basing View, Basingstoke, Hants, RG21 2EE (0256 20262).

An unusual task for British Aircraft Corporation's research staff. This model of a new Royal Danish Navy corvette was set up in BAC's anechoic test chamber at Bristol so that a proposed radio antenna system could be assessed, thus avoiding costly alterations when the vessel is built. The 1:40 model is constructed from wood and plastics and covered in copper foil to provide the necessary high conductivity. HF and UHF frequencies were scaled accordingly to measure accurately the radiation patterns from the antennae. These measurements enabled the antenna positions to be optimised and the radio frequency interaction between the antennae to be analysed in detail. The work was carried out by BAC's Electronic and Space Systems Group under contract to Y-ARD Consultants, designer of the vessel.

● COMPUTING

Philips unit for beginners

TO MAKE the progression to its disc-based P410 transaction/batch processor easier for the user *Philips Data Systems* has brought out the P380, a new magnetic tape cassette system primarily for traditional, transaction-oriented magnetic ledger card data processing.

The basic cabinet of the P380 is identical to that of the P410, to which the new computer can be upgraded.

First users can use this machine as a facility to catch up with electronic data processing evolution without upsetting established business procedures.

Installation of the system is problem-free. It requires no special environment and plugs into a normal mains outlet. Application programs for normal commercial and administrative data processing requirements can be selected from a library and are available on magnetic tape cassettes. It is also possible to adapt these programs to individual needs.

Operation is very simple and can be fully mastered by existing personnel within a couple of hours. A small, 32-position line display guides the operator through the data processing task, indicating which data needs to be entered or which action needs to be taken. And it provides a means for visual checking of the data entered. Standard numeric and alpha-numeric keyboards with only a few essential function keys make up the rest of the operator console.

● INSTRUMENTS

Will detect dangerous gas levels

IN AN age in which pictures have come from Mars and the computer has been reduced to the size of a cough lozenge it hardly seems reasonable that people should be overcome and even killed by toxic fumes in confined working places.

Men working in sewers for example, have frequently had to depend for a warning on a piece of sensitised paper changing colour—in dark, wet and distinctly unpleasant conditions. Bordering on tragi-comedy is the story circulated within the industry of the tunnelling workers who could not understand why their smoker's matches would not stay alight: the oxygen level was too low.

Suitable instruments are beginning to appear on the market and the latest of these has been designed specifically with the safety of the worker in mind. Called Otox 80, it is made by Neotronics and is a combined oxygen deficiency and toxic gas monitor.

The user does no more than switch the battery-operated unit on and insert a detection card. Then, if more than 10 ppm of toxic gas or an oxygen level below, say 17 per cent. prevails, an audio warning is emitted and a light flashes. Both threshold levels can be adjusted to meet ruling safety standards.

Toxic gas detection still depends on a sensitised paper changing density, but in the Otox 80 an infra-red optical system is used to measure the change and electrically compare with a standard danger figure.

Initially, hydrogen sulphide detection using lead acetate is available, but the company intends to make cards available soon for carbon monoxide and chlorine. Oxygen detection makes use of a galvanic cell with an air catalytic cathode the current from which changes linearly with oxygen content in the air.

More about the instrument, which costs £130, from Building 102, FSTS Site, Stansted Airport, Essex CM24 8QX (0279 870182).

● SERVICES

Indicates alternative route

THERE ARE many occasions on motorways and other main roads when it would be of great help if the permanent road signs could be very quickly altered to cope with traffic problems, especially when re-routing is necessary.

One idea that is just being taken up in some areas is what might be termed a secondary indicator which is permanently attached to an existing road sign. The device, called Rolasign, is best described as a blind which drops down in front of the legend on the existing sign and carries instructions about the alternative route to be taken.

Basic components are a galvanised steel roller which carries the open weave glass fibre reinforced PVC fabric blind, an aluminium box to house the roller and cloth and a steel guideway which is attached to the main uprights of the permanent sign.

Power comes from an electric motor which is an integral part of the roller. Hand winding gear is provided for use in the event of a power cut.

The sign is being produced by Deans Changesigns, 13, Deodar Road, Putney, London, SW15 2NR (01-789 0121).

● SEALING

Versatile adhesive foil tape

INTENDED PRIMARILY for sealing exterior ducting, including stainless steel systems, where conformability and long life are required, Arno L83 aluminium foil adhesive tape can also be used for s[…] joints in insulating wall p[…] and for other applications i[…] heating, ventilating, ai[…]ditioning and building indu[…]

The elastomer-based pre[…] sensitive adhesive is prot[…] by a silicone liner. The 0.1[…] thick tape has an adhesi[…] 80gm/mm and a tensile str[…] of 0.76kg/mm width. It is […]able in rolls of 55 m[…] ranging in width from […] 900mm.

Details from Arno Ad[…] Tapes, Shore Road, […] Southampton SO4 6YT […] 843068).

● LUBRICATION

Makes it all run smoothly

ORIGINALLY developed […] lubricating chain drives o[…]ing in high temperature […] decorating ovens, a pneu[…]ally-operated spray lubric[…] system incorporating a […] tank unit, pneumatic c[…] system and filter sub-assem[…] all in a single module, has […] introduced by Bielo[…] London.

The system has been de[…] and built in the U.K. and […] maker expects it to find […] applications in hostile […] awkward operating env[…]ments, where a spray sy[…] might solve problems of ac[…]bility or high temperature.

The basic system consis[…] an oil reservoir, and a sour[…] compressed air feeding pa[…] air and lubrication lines; th[…] is forced through up to 30 m[…] of line by a pneumatically […]ated pump via a suction […] Up to 300 lubrication points […] be served, and the pump […] operate at up to 60 str[…] minute. It is stated tha[…] system can be easily ope[…] and fitted by staff not neces[…] familiar with lubrication syst[…]

The maker is at Cotr[…] Street, London SE27 0DP (0[…] 1211).

The Marketing Scene

Boxers short spots

BY ANTONY THORNCROFT

JOHN CONTEH'S successful defence of his world light heavyweight title in Copenhagen on Saturday also worked out as a winner for Aerosmith, the American pop group currently touring Europe. The group's recording company, CBS, brought space on Conteh's shorts from Special Publicity Projects, David Maby's organisation which exploits the advertising potential of televised sporting events.

The investment, which cost over £1,000, was necessarily something of a gamble, but with the fight going 15 rounds and ITV showing it live CBS certainly got its money's worth. Maby has made the most of boxers' shorts in the past, selling Muhammed Ali's to Williams Furniture and Joe Frazier's to Woolworths (a poor choice since Frazier was KO'd in the second round).

But is is unlikely that boxer's shorts will become a very important advertising medium. The pitfalls were nicely illustrated in a recent bout televised by BBC. Watching at home was Cliff Morgan, head of outside broadcasts at the Corporation, who was appalled at the way the cameras concentrated on the shorts of the overseas contestant which carried the legend Ferna Branca.

Morgan immediately 'phoned through to the producer who apologetically justified himself by saying he thought that was the name of the boxer. Before the end of the fight the offending words had been blotted out.

Backing the sausage

IT is hardly surprising, given the decline in living standards, that sausages are a growth market, volume sales rising by 2 per cent this year to around £130m. But as consumers switch down from meat to sausages it is not surprisingly the butcher's sausages that they are buying—they are available on the slab.

As a result sausage sales through grocers have declined from 54 per cent. of the market to 44 per cent. over the past five years. Now Walls is attempting to stop the rot by re-launching its sausages with a new recipe and packaging next week. In support there is a television advertising campaign in some regions, with the national equivalent of £315,000.

The advertising features actor Warren Mitchell, who Walls has been using in its radio commercials, and will be backed up by a poster campaign, press advertising, and 13 million coupons offering a 5p saving.

In another sign of trading down consumers are buying mince, Irish stews, meat balls and snacks in the canned meat market rather than the higher priced lines. In new research Nielsen estimates that canned meats are a £200m. market. Among cold meats corned beef has also gained a share because of its price.

This is a very fragmented market and Nielsen points out that 90 per cent. of canned meats brands can only be found in fewer than one out of every four grocers. The 2 per cent. of canned meat brands that are in more than 50 per cent. of grocers account for almost a quarter of sales.

The biggest advertising medium in the U.K. is—the regional press. ALAN GARTH reviews this over-looked but very successful industry.

The revolution in the provinces

DESPITE forty years of television, half of them commercial, the regional press remains the U.K.'s most powerful communications force. Such claims are contentious, but the regionals have consistently attracted more advertising money than any competitor: £282m. in 1975. They have long accounted for around three-quarters of U.K. classified advertising expenditure (£160m.) and last year, for the first time, they carried more display advertising than the entire "national" press.

The regional press remains acutely conscious of both national and local competition. It reacts vigorously to free-sheets, to local radio, and to the national media. Individual publishers fight daily battles with their neighbours. And the imminence of new electronic media—Cefax, Oracle and Viewdata—is already bringing about changes in the structure of the more advanced regional newspapers. But still the average evening newspaper reaches more people in its main catchment area than any three national mornings put together.

The diversity of the regional Press—22 mornings, nine Sundays, 80 evenings and 1,182 weeklies—is a strength and a weakness at the same time. The strength lies in the fact that each newspaper, regardless of ownership, is free to reflect the interests of the community it serves. The weakness is that the regional Press can rarely be viewed by the outsider as a single entity.

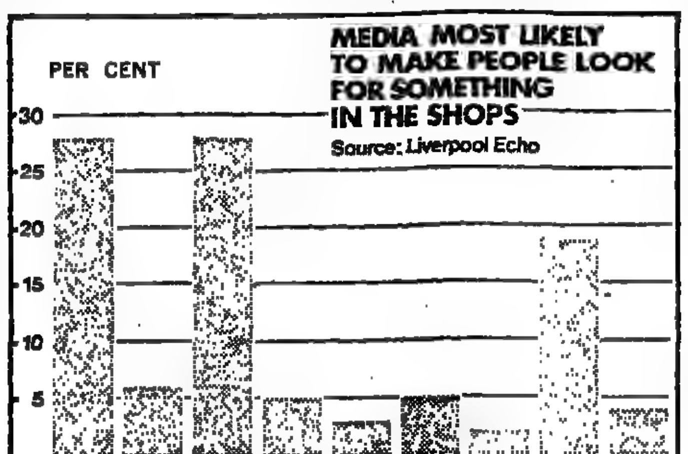
Financially, the most important outsider must be regarded as the national advertiser. Although national advertising has been growing in recent years, it still represents only a small percentage of volume. In the evenings it has more than doubled in the 'seventies—but this is a reflection as much of growing advertiser interest in media which are close to the point of sale as it is of advertising decisions formerly taken locally which are now centralised.

Without any great shift in advertising content, some exceptional provincial newspapers are finding approaching 50 per cent. of their display advertising coming from outside their own marketing area. The average for the regional dailies would appear to be around 25 per cent.

The regional newspapers have suffered recently from the annihilation of recruitment classified. In some instances this category represented around one-third of revenue in the early seventies. There is little hope that these halcyon days will return. But other categories of classified have been built up (notably personal and home improvement sections) and display advertising is now taking up a higher percentage of available space.

This display boom has centred on retail advertising, currently the most buoyant form of advertising. According to Reg Dickinson, managing director of Bristol United Press, the regional newspapers have followed a retailing revolution which has been based on the sort of fast turnover which makes local advertising essential.

Dickinson is chairman of the Evening Newspaper Advertising Bureau which is currently introducing a successful American system of joint advertising into the U.K. Called Co-partnership, it depends on the willingness of national brand manufacturers to give advertising money to stockists in relation to the amount of goods ordered. It's a $5bn. business across the Atlantic—and it could be a means of bringing national brand advertising back to the regionals.



ENAB and its sister organisation, the Weekly Newspaper Advertising Bureau, are evidence of a desire on the part of the regional press to act together for mutual good. But they have failed to attract membership from one of the four major provincial groups—Associated—and have meagre representation in Scotland. Both are severely under-financed in comparison with similar bureaux overseas and limited to a purely promotional role. No-one, as yet, undertakes a marketing role for Britain's biggest advertising medium.

The regional press in the U.K. is dominated by four large groups —Associated, Thomson, United and Westminster—which between them control nearly half the regional dailies and approaching one-fifth of the weeklies. Each group is diversified to differing degrees. Regional newspaper profits have been used to finance these diversifications, and sometimes to support ailing London operations.

Indeed, Lord Barnetson has put down the continuing success of his United Newspaper group to the absence of any national publications apart from Punch and a range of farming publications, both healthily profitable. The vast majority of United's £35.4m. turnover in 1975 emanated from its string of morning, evening and weekly newspapers with smaller contributions from its printing, book publishing, periodical, TV and radio interests. It made pre-tax profits last year of £3.6m.

At a recent conference of the International Newspaper Promotion Association, Gordon Robertson, advertisement director of Thomson Regional Newspapers, revealed that his company contributed £57m. in 1975 to a total Thomson trading turnover of £236m. In that year, and for the first time since the group began to grow in the 1960s, TRN's was not the biggest contribution. It was overtaken by Thomson Travel (£86m.).

But as the North Sea oil begins to flow, Thomson's position will be massively improved.

Oil too is helping another of the big groups—Associated Newspapers—which has a 12.5 per cent. stake in a consortium which is already producing. The group has followed a policy of diversification into small and medium-sized businesses and has interests in building, wharfage, taxi-cabs, pizza restaurants and the like.

It is a wider diversification than that attempted by any other major newspaper group, but continued losses on the London Evening News can hardly be expected to be met out of a more healthy picture at the Daily Mail. Its massive Northcliffe chain of provincials and other subsidiaries in Leicester and the West country are still the backbone of the enterprise. The group as a whole made pre-tax profits last year of £8.45m.

This compares with a 1975 profit of £9.89m. at Pearson Longman, controllers of the other major group of regional newspapers, Westminster Press. Westminster in 1975 contributed only £435,000 of this sum (£3.14m. in 1974). The current year has shown a vast improvement. Westminster contributed nearly £2m. in the first six months to virtually doubled pre-tax profits of nearly £7m. This compares with £1.4m. in the same period from the Financial Times and £3.68m. from Longman Penguin.

With the lion's share of regional Press money going to the evenings, it is interesting to observe that the four largest evenings — Manchester, Birmingham, Liverpool and Wolverhampton—are outside group control (although Westminster has a minority interest at Birmingham).

Elsewhere, the regional Press is controlled (mainly by family interests) totally independently. These companies are powerful and profitable in their own areas. Some are publicly quoted. Several control multi-newspaper and printing conglomerates. Iliffe at Coventry, Cambridge and Birmingham is a familiar regional Press name as is Outram and D. C. Thomson in Scotland.

East Midlands Allied Press (expected to turn in a record £1m. profit this year), Eastern Counties Newspapers, Southern Newspapers, South Eastern Newspapers, Essex County Newspapers, the Surrey Advertiser Group, Portsmouth and Sunderland Newspapers (£1.2m. profit last year) are among a number of impressive multi-newspaper groups.

From overseas, St. Regis have acquired the Bolton Evening News (and put Lord Robens in as chairman) and Rupert Murdoch's News International acquired as part of the News of the World empire, Berrows Newspapers at Worcester, which includes the oldest newspaper in the world.

Many of these groups have diversified, usually into the traditional areas of newsagents shops, contract printing and travel. Occasionally they have been more adventurous. The Liverpool Daily Post and Echo's Canadian subsidiaries helped to boost this year's half term profits to £1.87m.

The use of regional press profit to finance diversification and altruistic endeavour (The Guardian couldn't exist without the support, through the Scott Trust, of Britain's biggest regional, the Manchester Evening News) has not retarded investment in regional newspapers.

This year alone has seen the completion of a £4.5m. plant at Sunderland, a similar EMAP plant at Kettering, a £2.5m. satellite printing unit at Sandwell (an international first from the Express and Star, Wolverhampton), a web-offset installation at Worcester and new colour presses at Coventry. Work has commenced on a Southern Newspapers press installation at Southampton, a £5m. United Newspapers development at Northampton and a £1.5m. web-offset conversion by Thomson Regional Newspapers at Blackburn.

But these more spectacular developments are only the visible edge of a re-equipment revolution which is transforming newspaper production in the provinces. By the end of the decade, all major regional newspapers will be composed by photographic methods. Museum pieces like "blocks" and Linotype machines will then be the preserve of the smaller provincials and the dinosaurs of Fleet Street.

A compositor working in Portsmouth or Wolverhampton, or Worcester, or Oswestry, in Sheffield, Leeds, Doncaster, Scarborough and Sunderland, in Norwich, Peterborough or Colchester, in Reading, Uxbridge or Oxford would already view Fleet Street production methods with something bordering on incredulity. And the production manager at Burton-onTrent, who has just watched the town's evening newspaper dispose of hot metal in less than a year, can marvel at the time taken by his giant counterparts—national and provincial — to adopt superior methods of production.

The Express and Star at Wolverhampton is now essentially five different newspapers with area advertising sold to local advertisers in each separate edition. Ex-compositors are manning computers. It isn't the same everywhere, but the regional Press as a whole can never be charged with milking a monopoly. On the contrary it has spent tens of millions of pounds on a love-hate relationship with the computer which has yet to be followed by large sections of British industry.

Retailing reviewed

BY ANTONY THORNCROFT

THE most comprehensive study of retailing in the U.K. is now available from the Economist Intelligence Unit. Consisting of two columns, and over 700 pages, it cost the EIU around £175,000 to produce. It is entitled "Retail Distribution in Britain" and is selling at £175.

The first book examines the Retail Trade, moving through all the different types of outlet—440,000 all told with a collective turnover of £27,000m. — and breaking retail distribution down regionally. The second volume looks at the 50 largest retail groups in the U.K., as well as voluntary chains and the Co-op. Advertising by the retail trade in 1975 is estimated at £75m.

Dipping into the volumes exposes their range, a range which is factual rather than interpretive. For example, under off-licences, the point is made that this sub-sector of food and drink retailing has overtaken both greengrocers and bakers in sales terms since 1961, accounting for 16.5 per cent. of business and 2.5 per cent. of total retail trade, as against 8.2 per cent. and 1.5 per cent. respectively fifteen years ago. Off-licence turnover last year was estimated at £716m.

Then the survey goes more deeply into the situation, suggesting that 34 per cent. of sales take place in the final quarter of the year, and that the average off-licence had a turnover of £83,000 last year. Multiples have overtaken independents as the biggest force in the trade, with the Allied Breweries subsidiary Victoria Wine being the largest chain with over 1,000 outlets. Every other kind of retail outlet, down to market stalls and mobile shops, credited with 1975 sales of £256m., is examined in the first volume.

The second volume examines the big names. Picking at random Woolworths, the EIU gives the latest financial, outlet, and advertising information, with a review of the changes in Woolworths in recent years, such as the success of the Woolco shopping centres, the failure of Woolworth by Post, the appearance of Shoppers World catalogue stores, and the move-up market in stocking policy.

● THE THOMSON Organisation is launching a new monthly magazine, "Best Books" next spring. It will contain 10,00 word digests of or extracts from six newly-published non-fiction books, and will be aimed at busy men and women who would probably not find the time to read the books in full.

JWT goes herbal

● A GAIN and a loss for J. Walter Thompson. It has been entrusted with the launch, on a test basis in Wales and the West, of Elida Gibb's new shampoo Herbal Sensation. There are high hopes for the product. The commercial was shot in the Caribbean and the expectation is that it will be a rapid roll out success, like Shield soap from another Unilever subsidiary Lever Bros. earlier this year. On the other hand Bowater Scott has moved its Fiesta towel range out and given the £250,000 account to its other main agency, Lintas.

● KEITH BELBEN, currently a deputy managing director at French Gold Abbott, is moving to Geers Gross to work on the client services side.

● ONCE again Young and Rubicam has published its U.K. market and media pocket book, 68 pages of invaluable facts about all aspects of marketing. This is a new and enlarged edition, costing £2.50, and containing the rates for all media, the size of the main markets, demographic information, and much more.

● HEPWORTHS has just launched a £350,000 TV campaign with three commercials running over two weeks each on all ITV channels. This campaign follows a successful £290,000 TV campaign last spring.

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(Established 1888)
Incorporating THE FINANCIAL NEWS
(Established 1884)
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THURSDAY, OCTOBER 14, 1976

Educational worries

MR. CALLAGHAN is not the first of recent Prime Ministers to show a critical interest in the education system. Mr. Heath declared that many parents felt it was failing both to prepare individual children for later life and to "strengthen the cohesion and improve the quality of our society." The response to the Conservative Prime Minister's words, however, was barely a whisper to that of the teachers' unions yesterday when they learned of Mr. Callaghan's preparations to make a challenging intervention on Monday. Indeed, perhaps discouraged by the lack of reaction to his strictures nearly four years and £20bn. of public educational spending ago, neither Mr. Heath nor Sir Harold Wilson seemed to make any significant attempt to broach the issue thereafter, even though the disquiet of parents and employers continued to grow.

Nor has the question been more than superficially tackled by either of the main political parties in their manifestos for recent general elections. Despite their conventional differences over private education, grammar schooling and suchlike, Labour and Conservative election programmes alike have submerged the public worries mentioned by Mr. Heath under promises of somehow promoting both academic excellence and educational equality by maintaining the supply of public funds at the highest possible level.

Expansionism

Mr. Callaghan seems now to have decided not only that the expansionist panacea is no longer credible but that present arrangements are failing to produce the results which the country has a right to expect from its educational system.

Parents' and employers' concern about, among other things, the many youngsters who finish at least 11 years of education lacking adequate skills of reading, writing and arithmetic as well as ambition to earn a better living by working, especially in manufacturing industry, have lately been brought into sharp focus by events such as the disorder at the William Tyndale junior school in London. It was Tyndale which showed many laymen for the first time that there are no official stipulations as to what teachers should teach or their pupils attain, and that if a group of teachers decides to defy the complaints of parents and school managers, neither central nor local government need feel obliged to act.

With such a clear demonstration of the lack of due governmental, let alone parental influence over the treatment of youngsters receiving education at the taxpayers' expense, Mr. Callaghan's political sense must tell him he need fear no unfavourable public response to his intervention. And more importantly, he is evidently prepared to go beyond Mr. Heath not only by describing parents' and employers' worries but also by broadly suggesting some means of abating them.

Soon after arriving at 10 Downing Street, the Prime Minister called in the Secretary for Education and Science, Mr. Fred Mulley—since replaced by Mrs. Shirley Williams—for a long, prepared discussion of the major problems of his area. Mr. Mulley left the meeting with a request for a memorandum on four particular aspects of education: the basic approach to teaching the Three R's; the curricula followed by older children, with particular reference to preparation for working life; national examinations; and the problems of youngsters aged 16-19 who do not qualify academically for further studies. The Education Department's reply—which seems to offer sensible suggestions for improvement—has formed the basis for the Prime Minister's forthcoming speech.

General debate

The reason for the immediate outcry by the large teaching unions is that the first three points picked on by Mr. Callaghan concern the content and methods of teaching and examining, which are matters that the organised teaching profession has always guarded from interference by politicians or any other representatives of the lay public. Some union spokesmen are already portraying the Prime Minister as intending to impose central control over the content of education, to the extent of stipulating uniform text-books and time-tables.

This is not, of course, Mr. Callaghan's aim. What he intends is to serve both the country's economic and his party's electoral interests by raising the vexed issue of the preparation of young people for adult life to a level of general debate where conclusions can be reached and acted on. If he can make this clear, and achieve it on Monday, the nation's prospects will be the better for it.

A fairly harmless partnership

WHEN the Prime Minister and the Chancellor spoke yesterday to a special meeting of the Parliamentary Labour Party about the latest turn of economic events, they were warned by Left-wing speakers that they could not rely on support indefinitely unless there were a fundamental change in policy. This change, it was made clear—as it was at the recent Party Conference—should include the widespread adoption of import controls. And Mr. Healey made it plain, as he has done several times already, that import controls could not be introduced, except on a small and selective scale, without provoking retaliation.

But the Left-wing of the PLP was not the only quarter from which calls for tighter controls over imports could be heard yesterday. The TUC and the CBI published a joint memorandum—itself a considerable innovation—in which they set down for consideration by the Government those aspects of import control policy which they were both prepared fully to endorse. This may seem to be both an insidious attack on Government policy and a combination between representatives of employers and trade union members at the expense of the consumer.

Selective

In fact, the document is relatively innocuous. The TUC and the CBI have been seeking to prepare a joint memorandum on this subject for some time past, but the CBI is a long way from the TUC position, that import regulation is an integral and important part of an alternative economic strategy—the dream-like strategy, in fact, which is needed to achieve the second and more ambitious of the two "scenarios" recently offered by the Chancellor to the NEDC for consideration. In particular, the members of the CBI are much more conscious than those of the TUC of the acute danger of retaliation and of the monetary effects of import deposits.

The joint memorandum, therefore, is mostly taken up with suggestions for selective action. These include a proposal that restraints on sensitive imports should sometimes provide for a reduction from existing levels, another that the Multi-fibre Arrangement should be made more flexible; another that the Government should make fuller and quicker use of existing anti-dumping arrangements; and a suggestion that the EEC as such should take the initiative in dealing with the special problem of imports into Europe from Japan.

Bad timing

There is little in all this with which the Government would strongly disagree. By agreeing to submit a joint memorandum with the TUC, in fact, the CBI has reduced what might otherwise have been an embarrassing source of pressure. To introduce more than the most moderate and selective measures of protection would be even more rash now than at other times. First, the IMF is seeking to tighten its rules forbidding resort to import controls by borrowers. Second, the latest stage of GATT talks on reducing impediments to trade has just got under way. Third, for those who hope that some kind of assistance may eventually be forthcoming from the European Community, the announcement of restrictions would be the worst possible prelude.

Colina MacDougall outlines some of China's political and economic problems.

The challenges facing Hua Kuo-feng

Mr. Hua Kuo-feng

CIRCUMSTANTIAL evidence is mounting that Hua Kuo-feng, the new Chairman, has made mass arrests of the radicals in China's leadership, although there is not yet any official confirmation. The calm in the capital and the so far relaxed atmosphere between newspaper correspondents and Chinese officials certainly suggests that Hua's move was both successful and popular.

The delay in issuing an official statement on his appointment to the party chairmanship suggests that there are still pockets of resistance to mop up (the radicals in Peking's two universities, where the army has apparently occupied the campus, are a case in point) but the outcome seems certain. There may yet be trouble in the provinces, though the reported arrest of Mao Tse-tung's nephew Mao Yuan-hsin, a party secretary in Liaoning, is a sign that Hua moved quickly enough to prevent resistance.

Long knives for Madame Mao

These events may seem over-dramatic to a world accustomed for years to accepting China's public image of itself. But for years there has also been speculation that once Mao was no longer there to protect his wife, the long knives would be out for her in Peking. She and her Shanghai associates ruined untold numbers of lives in the Cultural Revolution, and looked set to do the same again.

The hatred and desire for revenge that that movement stimulated have since been swept under the carpet, but no-one who reflects on the violence, the humiliations, the suicides and the lost careers of that time could doubt that they must have remained a powerful under-cover force on the political scene. Former vice-premier Teng Hsiao-ping, twice dislodged from high office and smeared for years in the press, may or may not return to public life, but he must surely feel some quiet satisfaction at the way events have turned out.

The radical group in China does not of course only consist of a handful of ringleaders in the party and universities. There have probably been radicals at least since the Cultural Revolution in many echelons in China. Some will be genuine idealists, some opportunists. But without the magic of Mao's presence or leadership from the centre, they are likely to be a declining force. One might regret the passing of Mao's ideals, like his wish to narrow the gaps between bureaucrat and worker, and town and country, but they have been so blatantly exploited recently that much of the idealism had probably vanished anyway.

Hua's apparent support from the army and from the rump of the late Premier Chou En-lai's establishment makes it seem likely that he has at least a workable majority for a resumption of a push towards economic development. So far this year this has taken a back seat to politics. The consequences of that could well be a return towards more selective education, more material incentives, more concentration on expertise and more emphasis on career structure. This is likely to win the support of the young who since the upheavals of 1966-69 have seen little point in work and study that was probably going to end in a lifetime of rural labour. It could also go some way towards filling the gaps that the dislocation in education has led to, for there is a noticeable lack of research workers and experts in their twenties and thirties.

No one would want to see China revert to the bad old days before Mao welded a newly self-confident nation out of the oppressed peasantry of the past. No one would want to see wiped out the example China has set of attempting to raise rural living standards along with those of the town. Much has been achieved by the inspiration of Mao to benefit all, not just some, Chinese. But some compromise with the needs of modern development will have to be worked out.

The Chinese media may still have a problem accounting for the U-turn in policy which is now almost certain to result. To arrest the family of the nation's father-figure will take some explaining. But in fact the people of China must be well accustomed by now to this kind of volte-face; three of Chairman Mao's designated heirs had in the past been cast down and ferociously attacked in the press. One — former Minister of Defence, Lin Piao — was accused of plotting a coup and then fleeing to the arch-enemy, Moscow.

Twists and turns of policy

Either Mao was a remarkably poor judge of men or he was forever changing his mind. Whatever public regard the people have for him, in private they must have occasionally been critical. Publicly, the media have always found an explanation for the twists and turns of policy. But the Chinese people, from the beginning perceiving the need to preserve face, have probably become increasingly cynical about the value of what they read in the press. While there may be a period in which the policies of the last few months are gracefully wound down, the radicals could well become the targets of fresh blasts against "ultra-leftists."

Hua is unlikely to face any real problems from the nation at large on a change in policy. The impression of dissatisfaction throughout Chinese society has been growing in the past six months. The April riot in Peking, touched off by the removal of wreaths commemorating the late Premier Chou En-lai, showed the depth of feeling at the swing away from his policies and those of his adherents. Law and order have certainly crumbled here and there in a way far from typical of China.

Obviously some of the crime arises from opportunism and the normal weaknesses of human nature, but the discontent at the slow rise in living standards, the threatened whittling down of pay scales and career prospects and the limited educational opportunities have probably brought about others. There is a great deal that a moderate Government could do to satisfy these very humble needs without throwing Maoism completely overboard.

Of course any Government in Peking has limited economic options. The nation still depends to a very great extent on its agriculture. The food-population balance is still the most crucial factor in Chinese planning. While modern inputs have done much to limit the devastating effects of drought and flood, it is proving remarkably difficult to increase the rate of agricultural growth. Despite the spread of family planning measures, grain output is probably increasing only a little quicker than the population growth rate, which is still probably around 2 per cent. a year.

The question of agricultural productivity was tackled in the early 1970s by the purchase of foreign fertiliser plant, at present in process of construction. But a number of U.S. agricultural specialists, some of whom have visited China, have wondered whether the application rate of organic fertiliser to Chinese crops is already so high that more chemicals will make progressively less and less difference. Last autumn China held a national conference on agricultural mechanisation, which adopted a policy intended to bring basic mechanisation to all areas, but since early this year it has virtually vanished from the press. So far it is far from clear how the leadership envisages solving the problem.

Economic policy in this, the first year of China's fifth five year plan, seems virtually to have ground to a halt. Undoubtedly the Chinese have had difficulties, which they would not have wanted in any case to discuss in the press. Oil output has begun to reach a plateau, steel production is stagnating, while coal, which probably performed well last year, will have been seriously upset by the earthquake in July in a major coal mining centre. What has also been missing from the media this year has been the exhortation to produce, coupled with some kind of statement of China's aims.

In 1975 Chou briefly outlined how China would complete its basic industrialisation within the next five years and then move into the front ranks of the world's industrialised powers by the end of the century. Lack of reference to this plan, may mean that it was dropped for political reasons, or perhaps that the country ran into genuine economic difficulties which made its realisation much more difficult. If the reasons were political, it could be expected to reappear. In any case, if the new leadership is as pragmatic as it appears to be, much more emphasis on the economy should be forthcoming.

But how Hua's new Government will evolve the details of the policy remains to be seen. Much has been gained in China through some Maoist policies, and it seems unlikely that China will take a violent swing to the right. Mao's stress on local development has up till now had considerable advantages in rousing local initiative and co-operation. In the sphere of modern industry, more central plan[…] and control may be nece[…] (as vice-premier Teng […] frequently been accused […] alleging) but the vast bu[…]cracy, that is needed if e[…] thing is run from Pekin[…] self-defeating.

The really crucial que[…] facing Hua may be the iss[…] material incentives. It has [...] been recognised that the [...] sants' private plots of land [...] vastly more productive, de[…] their tiny size, than the [...] mune fields. It is also clear [...] the rumblings over the pa[…] years that among indus[…] workers there is a st[…] demand for better rates of [...] proper differentials, bonuse[…] extra or unpopular work [...] special rates for overtime. [...] far is a Chinese Governm[…] which recognises that it [...] lose in the race between p[…]lation and productivity, to [...] to these pressures?

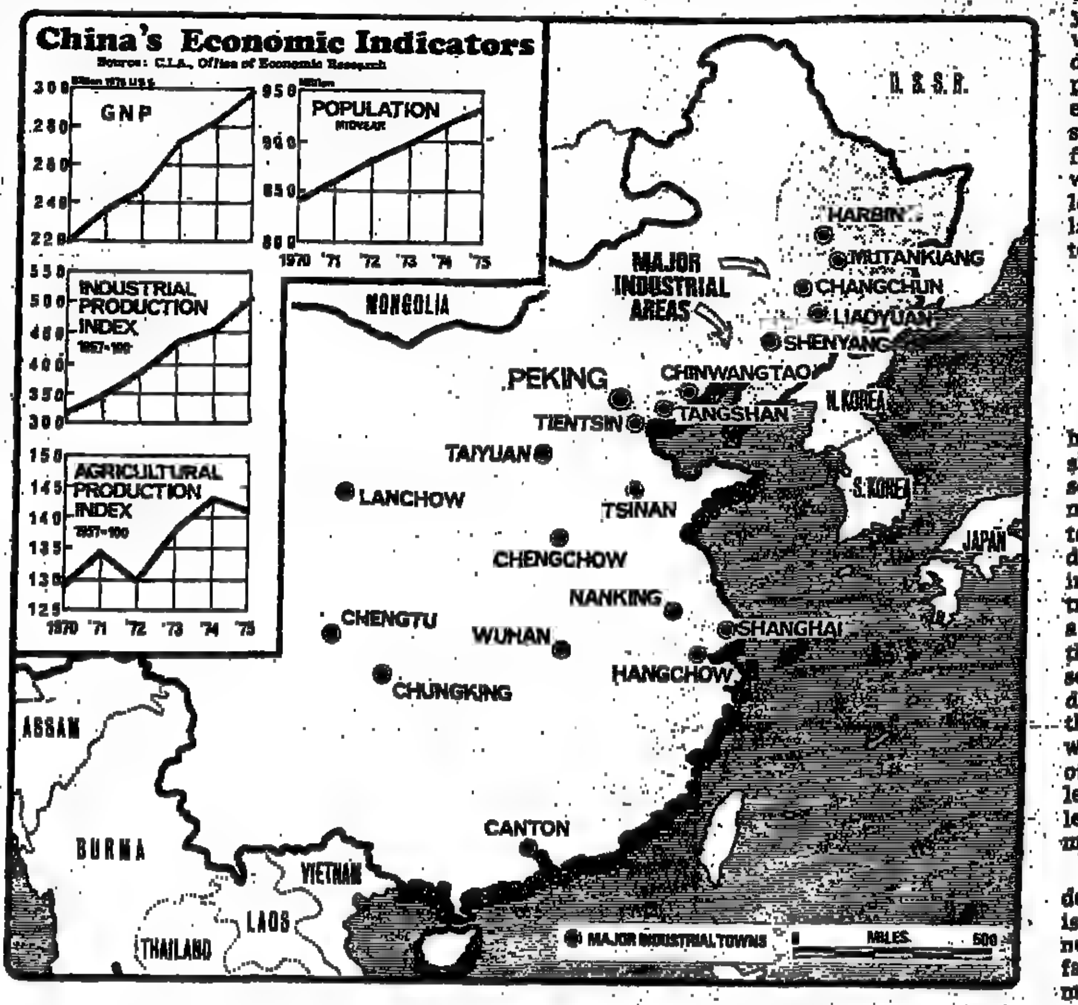
Technology imports

Even the economic opt[…] here are limited for Ch[…] simply cannot afford a consu[…] society. Whatever incent[…] might be introduced would [...] to be very minor, because [...] deflection of raw materials [...] investment to consumer in[…]tries sizeable enough to sat[…] a more affluent peasantry [...] the size of China's [...] seriously hamper producer [...]dustries. It is easier to [...] the industrial workers what [...] want since there are far fe[…] of them, but there the Chin[…] leadership would face the pr[…]lem, as it did in the 1950s, [...] making the towns too attract[…]

One short cut to the quic[…] development of heavy indus[…] is the import of foreign te[…]nology, but again the Chin[…] face the problem that th[…] main exports, which must p[…] for it, are consumer goo[…] which their own people m[…] then do without.

The result is likely to [...] only a slight relaxation of [...] current incentives policy. B[…] it is possible that many [...] China's present social diffic[…]ties could be solved in oth[…] ways. More security, few[…] political campaigns, a return [...] slightly more academic educ[…]tion for brighter children, [...] clearer ladder of promotion, [...] could satisfy some of the pr[…]sent demand.

The visible expansion [...] heavy industry (if necessa[…] with foreign technology) is [...] psychological encouragement f[…] the Chinese, promising a bett[…] life at least for the next gener[…]tion. All these developmen[…] could be possible without mu[…] sacrifice of the best of Ma[…] philosophy. It is perhaps [...] these fields that moveme[…] could shortly come.



MEN AND MATTERS

Pleading for the Institution

Sir Monty Finniston reappeared in a new guise yesterday, as silver-tongued persuader in an effort to raise £750,000 for what is perhaps the world's most famous scientific body, the Royal Institution, a research centre and favourite rendezvous of scientists in Mayfair.

With just 22 days' experience of his new job as executive chairman of the engineering companies of Sears Holdings, the former British Steel boss exulted over the fascinating range of technical interests he was discovering, such as a way of knitting a suit—"But we've still got to stop it looking shiny."

As for the Royal Institution, Finniston claimed it deserved a place in the Guinness Book of Records for the number of scientific contributions it had made to industry. The electric generator, the miner's safety lamp, the vacuum flask and the neon sign were all discovered in its laboratories. It also boasts one of the last hydraulic lifts in London, and some of the money is needed to replace this particular relic.

The institution has an income from members' subscriptions and gets a modest rent from adjoining Mayfair premises such as Cartiers and Aspreys. Sir George Porter, its Nobel-prizewinning director, admits ruefully that a former management allowed its tenants to get off too cheaply. Ah well, there are the rent revisions due in 2005 to look forward to.

Cash is needed for three projects mainly: to expand the popular science-for-schoolchildren programme, to increase research in solar energy, and for the conservation of the building itself. Private approaches this summer have raised about £250,000, with promises of perhaps another £200,000.

"At 420p we said 'When!'"

Bank bruises

In the past couple of weeks, interest has revived in merchant bankers playing their old and sometimes bruising role as take-over battle specialists. Charles Ball, who made his name in that business while at Kleinwort Benson, has found himself the subject of an injunction which prevents him acting, as chairman now of Barclays Merchant Bank, on behalf of Babcock and Wilcox. Babcock was using BMB in its attempt to take over Herbert Morris: that company in turn is advised by Ball's old firm, Kleinwort Benson.

Babcock has apparently considered changing its advisers, the situation is at present in a state of limbo. Then yesterday came Allied Breweries agreed offer for Teacher (Distillers) and the merchant banking end of that deal is intriguing too, as Allied is being advised by Samuel Montagu.

In the past, the brewing group has relied mainly on Baring Brothers or N. M. Rothschild, and has been known to use Schroder Wagg and Morgan Grenfell. The clue to Montagu's addition to the list lies in the appointment to the Allied Board in January of Philip Shelbourne, Montagu chairman. Derek Holden-Brown, Allied deputy chairman, said last night: "We are not tied to any particular house. We choose the best service we can get at the particular moment we need it. In this case we need to keep to a minimum the number of people involved and Philip Shelbourne was on the Board and naturally knew about the possible bid."

Apres Curran?

Although the early betting for Sir Charles Curran's replacement as director general of the BBC is going on an insider the form book suggests a look further afield. All three of the most recent top broadcasting appointments came as outside surprises. Curran himself was a broadcaster, but his appointment came seven years ago.

Curran makes no secret of the fact that he would like his successor to be one of his aides. Anyone else, he suggests, would be baffled by the complexity of it all. Meanwhile he intends staying put until the Corporation has finished with the report produced by the Annan Committee on the Future of Broadcasting although he seems pretty convinced that the Corporation's main planks, that there should still be licence fees and that there should still be a BBC, will remain intact.

In private Curran's main talent is the ability to reach decisions and stick by them. In public he is arguably his own worst enemy, having an irrepressible drive to put down his questioners before getting round to answering the question.

Curran stays on for another year, then is open to offers but is keen to remain in the international field. For all his domestic blunt talk Curran can apparently still be a diplomat in foreign parts. On his recent trip to China he and his hosts exchanged not one word about external services transmissions in Cantonese and Mandarin, nor Chinese counter blasts in English. Some things are better not said.

Court news

An almost unnoticed change has taken place in one of the most influential posts in the European community: the judges of the European Court, based in Luxembourg, have elected a new president, Judge Hans Kutscher, a former member of the German Federal Constitutional Court in Karlsruhe.

He replaces Robert Lecourt, a former French Minister of Justice, whose resignation from the court created more than a ripple or two back in Paris. Though the European Court judges would vehemently deny that they promote specially law that helps European integration, there is no doubt that court has so far proved the most effective and practical instrument of such integration.

This is not pleasing to everybody, particularly the Gaullist faction in France. So the nomination of Lecourt's successor created a few difficulties in France between integrationists and nationalists, a fact annoying to the judges in Luxembourg. In the event, the French yesterday nominated Adolphe Touffait, a prominent French jurist, and this is regarded as a win for the integrationists.

Only fit

London tailor's sign: "Clothing down sale."

Observer

ECONOMIC VIEWPOINT

BY SAMUEL BRITTAN

A Government near the end of its tether

IT IS not very pleasant to see a Government living from hand to mouth, desperately hoping that the next day's performance of sterling and the gilt-edged market will be better than the last. But so far at least sterling has not responded well to last week's draconian rise in interest rates and the performance of gilts has been variable. The main hope—far from taken for granted—is that the Government will somehow be able to live through until the next National Income Forecast, which is being hurried forward from its normal end November timing to the week after next.

Nor can the least sensitive observer escape the sense of demoralisation at both the political and official level. There are numerous contingency plans, with colourful names from import deposits to emergency public spending cuts and more drastic credit and foreign exchange controls. But few people in authority have any real belief in any of them, except as a regrettable reaction to events which they still hope will not occur.

The mood may pass. Markets are unpredictable; and even those who know for instance to-morrow's trade figures are not sure how sterling will react. But the depressing thing is that the economic Ministers have taken, however belatedly, the main measures which they had earlier contemplated, and are desperately short of ideas in which they have any conviction.

The malaise is deep. Superficial signs range all the way from Mr. Healey's lacklustre speech on Monday to the Cabinet's discusion of the MLR increase a week ago to-day. Mr. Callaghan was known to be unhappy about the political implications; and one of the so-called industrial strategy Ministers, on whom the measure was sprung, did not even realise that it would mean an increase in the mortgage rate.

Meanwhile, the exchange rate has fallen from above $2.30 in the middle of 1975 to just over $1.60, despite the expenditure of some $5bn. in its defence. Either result might have been a misfortune. The two together look like carelessness.

REVENUE FROM 1p INCREASE IN SPECIFIC DUTIES

(Full Year Yield, 1976-77)

	£m.
Pint of beer	90-100
Petrol	40
Packet of 20 cigarettes	40
10p increase on bottle of wine	35
10p increase on bottle of spirits	10

Source: Official Estimates before allowing for effect on consumption.

A case can be made for supporting the exchange rate in a chosen bracket and a case can be made for a free float. But the authorities have never had the resources or nerve to intervene enough to make a go of the first and have been too easily panicked by downward movements of the rate to make a go of the second. Instead the foreign exchange market seems to have been managed by the seat of Mr. Healey's pants, shifting from one side to another without any underlying rationale.

For two and a half weeks from September 9, sterling was allowed to float freely, during which period it fell from $1.77 to $1.63 on September 28, when Mr. Healey turned back at Heathrow airport. Since then the authorities have once again been intervening, although as moderately as possible. The forward rate is equivalent to a discount of 13 per cent. per annum; and despite the MLR increase, the covered differential is against London.

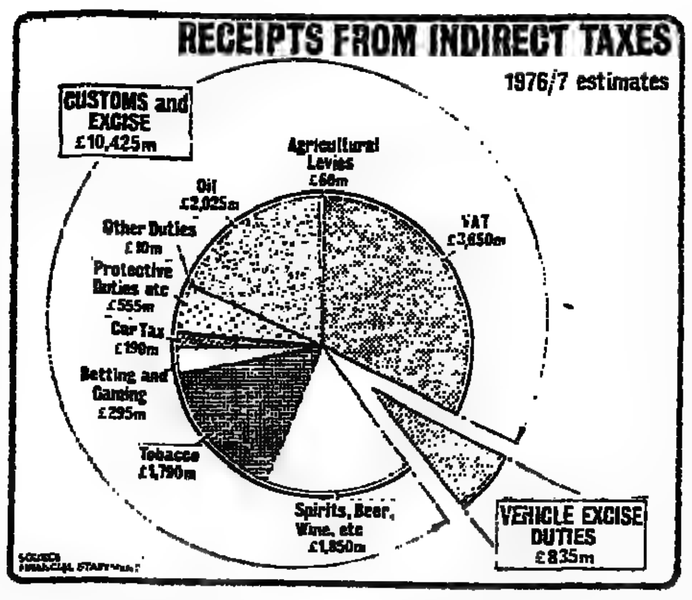
Things change from day to day. But current Treasury thinking is based very heavily on negotiating the $3.9bn. IMF standby and the accompanying Letter of Intent agreed with the Fund. As $1.6bn. of this will be required to repay the sums drawn on the central bank standby up to the end of September, there will be only $2.3bn. left for other purposes, and even that is assuming no more central bank drawings between now and December.

The main source of funds to finance the current payments deficit until North Sea oil begins to gush is seen as five to seven year borrowing by the nationalised industries on the Euro-dollar market. So far this year some $2.7bn. has been borrowed in this way including the new Electricity Council loan, but excluding the Iranian loan. It is thought that greater sums can be tapped if and when a settlement with the IMF restores confidence. Such borrowing is seen as having the great advantage of avoiding Government to Government loans, which would put an embarrassing load on the U.S. and German budgets. It also would avoid asking the IMF for more under the unquantified supertranche provisions, which would be embarrassing for the Fund and involve very severe conditions for the U.K. Nevertheless if the EEC, for instance, actually volunteered credits it would be difficult for the British Treasury to refuse especially as Mr. Callaghan is known to be unhappy with the Treasury's handling of sterling.

There is indeed a school of thought which attaches much more urgent importance to a funding of the sterling balances, for which an extra $3bn. to $5bn. would be required. It is unfortunate that the argument for funding — which has been eloquently put by Mr. Harold Lever in public speeches over many years — should have become entangled with the argument for fixed or managed exchange rates. My own view is that an optional funding facility—which could take the form of dollar-denominated British securities without the need for international assistance—would be best used to facilitate a free float. For it is the knowledge of the existing £6bn. of sterling balances, some of them held uneasily, more than the actual amount of conversions, which depresses the sterling rate and inhibits favourable speculation.

On the internal side, the Chancellor is, astonishing as it may seem, very anxious to wait for the National Income Forecasts (NIF) before deciding what to do, although it is realised that bad news on the sterling or gilt-edged sales could force him to use the indirect tax regulator at a few hours notice.

The 4½ per cent. growth projections of last July are being quietly forgotten. So too are the unemployment forecasts behind the last Public Expenditure White Paper. The assumption then was that the number of unemployed adults would fall to 1m. in 1977-78, 900,000 in 1978-79 and reach the official target of 700,000 or less by 1980. These figures were not so much seriously entertained as put in to fit the social contract.



At least one economic Minister now thinks it more realistic to think of 1.3m. unemployed in 1977-78, falling well back to 1.2m. in 1978-79. This is before adding school leavers and the seasonal element, which together can add up to 200,000; and there are seasoned Whitehall observers who are talking of crude figures going up to 1.8m. before the real turn.

What is Whitehall hoping for from the NIF forecasts? The best result would be if the setback to recovery were due mainly to internal factors such as stocks and retail sales, and the mid-1976 slowdown in world trade were thought to be a temporary hiccough. On these assumptions the 1977 balance of payments would look better. In that case, the IMF might not insist on reducing next year's public sector deficit by quite so much.

But it is recognised that the IMF would pay more attention to performance than forecasts; and it is in any case not certain that NIF will oblige in this way. The present assumption is that the 1977-78 borrowing requirement will have to be cut from the £9bn. estimated last July: and the question is only by how much and by what methods.

The quickest, simplest and most likely method is still an increase in indirect taxes. The full use of the regulator, which now enables VAT to be raised by a quarter and other duties by a tenth in between Budgets, would bring in £1.1bn. in a full year, on 1976-77 figures, and add 2½ per cent. to the retail price index after 12 months. Putting up all duties by a tenth only would reduce the RPI effect to 1 per cent. Another approach would be to "valorise" the drink, tobacco, petrol and other specific duties which have been eroded by inflation. Failure to valorise since the April Budget has cost £250m., but there is a much longer backlog to make up for in some cases.

There are, of course, a few Ministers and many officials who would urge public spending cuts either instead of, or in addition to, indirect tax increases. The next Public Expenditure White Paper, now expected to appear in January, will aim to hold spending at the levels originally announced last July.

In addition, high level instructions are being given for a contingency package of extra spending cuts, amounting to at least £2bn., to be put together from the various "options" on which the Treasury is always working. If many of these are accepted, the Public Expenditure White Paper would be overtaken by events, just as Lord Barber's 1973 White Paper was overtaken by the fuel crisis cuts.

But no one is very sanguine about getting such cuts, on top of those necessary to stick to existing plans, through Cabinet. The Treasury did try to get £2bn. of genuine reductions at the time of the central bank standby last June, but was rebuffed and had to be contented with £1bn. of largely cosmetic curbs.

The basic political difficulty is that a Labour Cabinet is quicker to seize on the employment implications of public spending cuts than on the similar but more arcane implications of credit squeezes or even tax cuts. Both these are, however grudgingly, regarded as coming within the Chancellor's box of mysteries.

Among Ministers who favour cuts, the main areas mentioned are housing and social security. Council rents now cover 43 per cent. of costs and are expected to rise to 50 per cent. by 1979-80. A £1.50 increase in council rents would bring in £300m. in a full year. The acquisition of buildings by local authorities could be curbed: and a strong intellectual case made for a 12-months moratorium on council housing building.

On social security, the main scope for saving is seen in the uprating of social security benefits (over and above the rise in the cost of living) for which some £350m. is provided for in 1977-78 and over £700m. in 1979-80. Substantial savings would also be possible if short-term benefits did not rise in line with the cost of living and if the earnings-related unemployment benefit were frozen.

Legislation would be required for the social security changes and the housing ones, except council building. Otherwise perhaps £1bn. of cuts could be rustled up by eliminating the remaining food subsidies, stopping all new road building and across the board trimming.

Indeed it has been a painful job keeping next year's spending to the original limits. Unemployment pay, housing subsidies and local authority spending are all well above the original estimates and have had to be offset by economies elsewhere. On the other side the cash limits have led to volume cuts in services heavily dependent on imports.

But one major source of saving is very much a paper one. Ministers are now taking 15 per cent. as their rule of thumb guide to the increase in the price level over the coming year. This worsening of the inflation outlook has reduced the burden of interest payments shown in "funny money" (1976 Survey prices) and more or less offset the recent rise in interest rates. That comfort should be taken in such a bizarre piece of good news is a fitting commentary on our present state of affairs.

Letters to the Editor

Economics of oil

From Mr. L. Bloch.

Sir,—The most astonishing feature of the Commons economic debate was an apparent indifference to the implications of the Organisation of Petroleum Exporting Countries' declared intention of increases in the petrol prices by some 15 per cent. to 25 per cent. As oil is already the largest and most onerous item on our imports bill, one would have expected some expression of concern at the consequences of a further escalation in the astronomical cost of this raw material, particularly at the time when the value of sterling has been undermined so badly by the outflow of hot Arab money from this country.

But no, all HM Government and the Opposition can talk about are the effects rather than the causes of our crisis. This attitude is justified privately by a number of arguments: Firstly that as we will shortly be oil exporters, it is not in our interest to battle for a stabilisation of oil prices. The fallacy behind this reasoning is that at present only 14 per cent. of our oil needs are met by the North Sea fields and that until 1980 when we hope to become net exporters, increased oil prices could damage our economy most seriously.

Worse, as higher oil prices are bound to increase the cost of exports all over the world, we shall have to bear the brunt of these increases. If the economies of our non-oil producing trading partners will be weakened, the consequent international recession will do this country such harm that no amount of increases in our future oil revenue will compensate us for it.

It is really extraordinary that with the notable exception of the American Secretary for the Treasury, Mr. William Simon, these fundamental problems have hardly been discussed publicly. Why? This brings me to the second argument: "Well, what - can - we - do - about - it - anyway?" The answer is that OPEC will not be deterred from further price increases by this sort of defeatist fatalism. The first thing the industrial world could do is to create a political climate of opposition to periodical price increases by orchestrating loud and convincing protests. Let OPEC know how we feel at their monopolistic abuses, let them know that we hold them partly responsible for our unemployed and for our increasing poverty. This ought to make them pause and think. Should they choose to ignore these warning shots, then let us organise the required economic reprisals, particularly in fixing the price of food exports to OPEC countries in proportion to their oil prices. There are other possibilities which need not be listed at this stage.

Finally, let us not be misled by the third argument which is that poor OPEC have to pay so much more for their imports from the industrial countries: Persia alone has complained of increases of up to 68 per cent. since the price of oil went up. Of course, the cost of industrial products have gone up, as a self-defensive mechanism to protect us from the worse consequences of oil increases of 450 per cent. in three years.

Even so, OPEC will have a petro-dollar surplus of approximately $50bn. according to the American Secretary for the Treasury or $30bn. according to their own estimates. To plead poverty on this sort of unusable money surpluses is an insult to the intelligence of all consumer countries. The real question is for how long can we put up with this insult?

Lionel Bloch.
6, Wimpole Street, W.1.

Urban decay and rural need

From the Chairman of the Finance Sub-Committee, Somerset County Council.

Sir,—Joe Rogaly (October 12) does well to challenge the social and economic concepts of reviving the inner cities. At whose expense will renewal be done? By more public expenditure or by diverting resources from rural areas such as Somerset? Probably both these means will be used and neither is an acceptable method.

The past few years have witnessed a continuing shift of Government money through the rate support grant from rural to city areas and for 1977-78 the prospect for ratepayers and residents outside the big cities looks ominous. Restraint and reduction in spending to comply with the economic needs of the nation will continue to be Somerset's policy: this of itself will mean worse services and inflation will add large rate rises.

The further dilemma to be faced is do we add even more to the rate increase to make good the Government grant shifted from the rural areas to the cities, or do we cut services even further by such means as increasing significantly the size of our school classes? Not an easy choice, particularly when our class sizes are already above most of those in the city areas and average rates of pay in the area are generally lower.

J. Luff.
County Hall,
Taunton, Somerset.

Two rates of interest

From Mr. T. Simms.

Sir,—With reference to Gordon Carlton's letter (October 12), of course it is not impossible to have two rates of interest—just as it is not impossible to have a "green" pound, or other "subsidies." Whether such expedients are sensible, and to our benefit in the long term, is another question.

Terry Simms.
49, Henton Grove,
Bradford 9, W. Yorks.

Non-accounting for inflation

From Professor D. Myddelton

Sir,—No doubt many businessmen share Mr. Mallinson's exasperation (October 11) at the continuing non-accounting for inflation. This has been caused by Government interference.

It was in January 1973, after many years of detailed consideration, that the professional accountancy bodies finally grasped the nettle and proposed to introduce the current purchasing power method of accounting for inflation. Had the Conservative Government not frustrated this initiative, the CPP method would now have been in use for more than two years.

The Government committee rejected CPP, on questionable grounds, and recommended instead a system called current cost accounting. Whether or not it would be desirable to substitute current value for historic cost accounting, and whether or not this reform is practicable, CCA involves a much more fundamental upheaval than CPP. What is more serious, CCA has nothing whatever to do with accounting for inflation. In this area—as in so many others—Government interference has turned out to be an expensive mistake.

The original timetable for implementing CCA was admitted to be tight, and it is not surprising if it now needs to be extended. Luckily CPP is still available, still a logical, consistent, comprehensive method of accounting for inflation, and still (I suspect) preferred by the professional accountancy bodies. Surely it would be better to introduce CPP *now*—needlessly delayed—than to wait for more years before imposing the CCA system which completely fails to deal with the accounting problems caused by currency debasement.

D. R. Myddelton.
Cranfield School of Management.
Cranfield, Bedford.

Quite easily demonstrated

From Mr. M. Lee

Sir,—What is it that goes down marginally after months of discussion yet goes up appreciably after only hours of discussion? The answer can be found at your nearest building society.

M. S. Lee.
18, Old Pasture Road, Frimley, Surrey.

Everybody is involved

From Mr. G. Lefevre.

Sir,—Reading the continuous stream of predictions for economic disaster ahead for Britain, one is reminded of the story of the corporate strategic planner who took his computer's latest forecast to a troubled Board of directors. After listening patiently to the young executive's explanations of why there was no hope, for the financial model foretold only further trouble ahead, no matter what decision the Board took, the wise old managing director simply said: "If that's what your economic model predicts then it's time to change the model!" Surely it is time now for the British people and their leaders to throw away the old, discredited rule book and write a new one.

There is only one way in which the solutions to Britain's many problems can be found. And that is to harness the entire efforts, brains and will power of all the citizens of the U.K. People need to feel they can and are able to participate in building the society and environment in which they live.

Too often one feels that political leaders are ignoring the ideas and aspirations of ordinary people, who in turn feel neither involved nor committed to making the proposed solutions work. One cannot lead a modern intelligent populace by handing down decisions, reached in secrecy as if coming from a school master to a class of naughty children. Any behavioural scientist will know that if you continuously treat people in a certain way, in time they will begin to behave that way.

There is no doubt in my mind that the British people are just as well educated, inherently intelligent and creative as their Continental cousins. Yet where is the opportunity for ordinary citizens to contribute to improve their daily lives? One doesn't just have to think of the economy but also such matters as health, the protection of nature and town planning. Wherever one looks one sees that the ordinary man can only exercise choice by occasionally voting Socialist or Tory. As if a handful of men wearing a label automatically had the answer to all problems while their opponents had none.

Let's just take one aspect: the economic crisis. If the tax regulations, bureaucratic controls and environment were changed to encourage the ordinary man to go into business for himself, to export and to keep a large slice of his earnings from his own efforts, the effect on the £ would indeed be dramatic. Germany has not built up a huge export trade with a handful of companies. Thousands of small firms concentrate their efforts on new initiatives, better business methods, better quality and more exports.

When will there be a Government in Whitehall that will give the British people a chance to prove themselves? Modern leadership requires involving people in both the decision-making process, implementing the agreed policies and in sharing the benefits. Give the small British entrepreneur a chance!

G. Lefevre.
Vejlesoevej 35A, 2840 Holte, Denmark.

The tale of a gasworks

From The Press Officer, North Thames Gas.

Sir,—If the gasworks at Harford Street, Mile End, is a folly, it is of the 19th- not 20th-century variety. Taking up Mr. Rogaly's point (October 12) that modern planners should follow, not lead, the people, it should be noted that local traders formed a company to build this gasworks in 1837 because they wanted to improve the gas supply to the area.

Gas was made there for 109 years. Production ended in 1946 but the gas holders are still used for the storage of natural gas.

Clive Thomas.
30, Kensington Church Street, W.8.

Formula for bankruptcy

From Mr. L. Trimby.

Sir,—A deputy chairman of ways and means has written to me thus: "Public expenditure is not determined by revenue: rather, the borrowing requirements is determined by the extent to which expenditure exceeds revenue." The formula, surely, for national bankruptcy.

Larry Trimby.
26, South Cliff,
Bexhill-on-Sea, Sussex.

Crystal balls

From Mr. M. Voysey.

Sir,—Mr. Healey said that inflation would be down to single figures by the end of the year. If the fellow had come to me I could have told him that inflation by the end of the year would be nearer 20 per cent. than 10 . . . and I am not an economist . . . or even a soothsayer.

Michael Voysey.
Savage Club,
Fitzmaurice Place, W.1.

To-day's Events

GENERAL

Overseas trade figures and balance of payments for September.

Management and unions in construction industry meeting Mr. Reg Freeson, Minister for Housing, to discuss "minimum base-load" of work for the industry.

Presidents of the English and Scottish Institutes of Chartered Accountants, and the Association of Certified Accountants, meet Mr. Edmund Dell, Secretary for Trade, on investigatory and disciplinary procedures.

Memorial service for the late Lord Feather, former TUC general secretary, St. Martin-in-the-Fields.

Maritime conference of International Labour Organisation continues in Geneva.

British Junior Chamber National Conference opens in Brighton.

Last day of Financial Times conference on Australia in the World Economy, Sydney.

Meeting continues in London of vocational guidance experts from the nine EEC countries.

Fire Officers conference, Harrogate.

PARLIAMENTARY BUSINESS

House of Commons: Electricity (Financial Provisions) (Scotland) Bill and Maplin Development Authority (Dissolution) Bill, remaining stages: Armed Forces Bill, Lords amendments: Public Lending Right Bill, second reading: Road Traffic (Seat Belts) Bill, remaining stages.

House of Lords: Aircraft and Shipbuilding Industries Bill, committee: Local Government (Miscellaneous Provisions) Bill, consideration of Commons amendments: Counter-Inflation (Price Code) Order 1976.

COMPANY RESULTS

Sears Holdings (half-year).

COMPANY MEETINGS

W. G. Allen and Sons (Tipton), Tipton, 12. Best and May, Great Eastern Hotel, E.C., 11.30. British Electric Traction, Connaught Rooms, W.C., 12.15. J. B. Eastwood, Great Northern Hotel, N., 10.30. Empire Plantations and Investments, Isleworth, 12. G. T. Japan Investment Trust, 16, Finsbury Circus, E.C., 12. Jones Stroud, Nottingham, 12. McKay Securities, 18, Parkside, Knightsbridge, S.W., 12. Louis Newmark, 143, Great Portland Street, W., 12. Owen and Robinson, York, 3. Photopia International, Stoke-on-Trent, 2.30. Reed and Mallik, Salisbury, 12. Regional Properties, Mayfair Hotel, W., 11. Singlo, Isleworth, 11. A. J. Worthington, Leek, 11.

COMPANY NEWS + COMMENT

Christies expands to £1.7m. at half way

TURNOVER of fine art auctioneers, Christies International, increased from £3.13m. to £5.21m. in the first half of 1976, and profit expanded from £664,000 to £1,701,000, subject to tax of £874,000 (£301,000). Profit for the year 1975 was £1,906,000.

Prospects for the autumn season are good with a number of important sales planned in London and overseas, the directors state.

The interim dividend is stepped up from 0.75p to 1p net per 10p share. Last year's total was 2,665p.

● comment

A full six month benefit from the 10 per cent. premium for buyers, which was introduced by Christies International a year ago has clearly made a big impact; about half of the 156 per cent. rise in pre-tax profits is due to the inclusion of the premium. The rest is due to economies and a more active market. The premium certainly has not deterred overseas buyers who accounted for 39 per cent. of sales at the main King Street rooms compared with 30 per cent. in 1974-75. A cash business in the leisure sector with high exports and overseas sales clearly has a lot going for it. The second half will not show the rise against the first as it did last year since the benefits of the premium were already being felt, but earnings per share could reach 8p for the year making for a prospective p/e of 6.7. The maximum yield on the shares at 55p is 8.4 per cent. and the shares could continue to show relative strength.

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Heywood Williams improving

Metal window and door frame manufacturers, Heywood Williams Group expects a break-even situation in the half year to October 31, 1976, against a loss of £630,000. The loss for the year to April 30, 1976 was £826,000, indicating an improvement in the second half.

The improvement had been maintained, the chairman, Mr. B. Scholes, told the meeting in Huddersfield. Production was rising and the group was taking orders at an increasing rate. "Provided this continues we should be able to cut our losses in all divisions," he declared.

Mr. Scholes said the volume of architectural work was still low and competition keen with a lot of people in the metal window industry chasing very little work. To offset this the company was seeking export contracts.

With the excellent start in exports made by Coastal Aluminium Products, group exports should before long reach 10 per cent. of sales, which last year exceeded £16m.

Kode Int. first half rise

ON SALES up from £1.12m. to £2.32m., pre-tax profit of Kode International expanded from £129,052 to £261,105 for the 28 weeks ended July 16, 1976.

Stated earnings per 25p share are 3.8768p against 1.9179p, and interim dividend is lifted 12½ per cent. from 0.6256p net to 0.7038p. Last year's total was 1.335p after pre-tax profits of £284,492.

Tax for the half-year was £135,775 (£67,107).

The directors state that the medium-term outlook remains promising.

The company has interests in the manufacture, distribution and maintenance of computer peripheral equipment.

Chairman Mr. C. M. Banks states that reflecting group policy of growth by acquisition, the purchase of Moore Reed (manufacturers and marketers of rotating components for the machine tool, automation and military markets) was completed in June, 1976.

These figures, which include the trading of this wholly-owned subsidiary from January 1, 1976, show a substantial increase in profit resulting from the redeployment of the resources of the group, he adds.

	Half-year 1976 £	1975 £
Income/sales	2,320,144	1,116,778
Profit before tax	261,105	129,052
Taxation	135,775	67,107
Net profit	135,330	61,945
Attributable	125,338	61,945
Dividends	22,752	20,296

● comment

Ostensibly, Kode's interim profits almost match those for the whole of the previous year. But the half-time figures include about £97,000 from the new acquisition, Moore Reed, which are not in the comparative figures, so that the organic growth was of the order of 27 per cent. The group has increased its profits steadily since the turnround from losses at the turn of the decade, and should continue to benefit from the trend towards smaller computers and extended use of peripherals. Its investment in cassette input equipment (the Datavet range) should begin to bring benefits, while reduced R and D expenditure should help boost margins. This year's profits could top £½m. for a prospective p/e at 27p of 3½ and a maximum yield of 8.6 per cent.

F. Lilley mid-term growth

TURNOVER OF civil engineering contractors, F. J. C. Lilley, increased by 16 per cent. to £14.16m., and pre-tax profit was a record £1,078,756, against £924,893, for the six months to July 31, 1976.

The figures do not include any turnover or profits from overseas civil engineering work as the directors consider that it is too early to take those into account as the contracts only got under way in the latter part of the period.

Mr. James Aitken, the chairman, states that while the level of the order book will ensure a further year of growth, availability of acceptable work in the U.K. must be adversely affected by Government measures, and the directors do not feel that predictions of a long-term nature can have any current significance.

However, the group's overseas involvement continues to grow satisfactorily.

Profit for the year to January 31, 1976, was £2.02m. from a turnover of £27.42m.

Earnings per 25p share for the half-year increased from 4.1p to 4.74p, and the interim dividend is effectively raised from 0.476p to 0.52433p net. Last year's total was equal to 1.182p.

	Six months 1976 £	1975 £
Turnover	14,151,249	12,187,126
Trading profit	1,455,045	1,283,457
Depreciation	444,039	325,499
Interest received	67,750	*14,065
Profit before tax	1,078,756	924,893
Taxation	570,000	485,000
Net profit	508,756	439,893
Interim dividend	58,188	51,180

* Paid.

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Thomas French tops £1m.

AFTER A rise from £212,058 to £425,827 at half time, pre-tax profit of Thomas French and Sons for the year ended July 3, 1976, advanced to a record £1,004,292 against £719,114.

Earnings per 10p share are stated at 13.8p against 10.7p, and the final dividend of 1.29p net lifts the total from 2.09p to 2.29p.

	1975-76 £	1974-75 £
Turnover	8,812,342	8,083,609
Trading profit	1,015,795	706,377
Share assoc.	*11,503	12,337
Profit before tax	1,004,292	719,114
Taxation	487,507	318,191
Minority loss	445	—
Extra-ord. credits	—	112 518
Total net profit	517,230	516,441

* Loss.

Chairman Mr. T. J. French says that sales of Rufflette curtain tapes and curtain styling products in the U.K. were not helped by the continued low level of investment in new house building, but nevertheless a definite all-round gain was recorded.

He adds that no marked improvement in the trading climate internationally for the group's products is foreseen in the current year, but the group's aim is to beat inflation, or at least to keep pace with it.

● comment

Second-half profits at Thomas French are 14 per cent. higher against the doubled half-time figures. While this may not give a totally fair picture (in '74/75 the first half bore the increased costs while the second half benefited from price rises), the overall pre-tax lift of 40 per cent. is no pointer to the future. Rufflette curtain products account for 90 per cent. of business and, worldwide, demand is down. Nearly 50 per cent. of sales are abroad but these are providing no cushion as the main countries, South Africa, Australia and France, have economic problems of their own. So little growth is on the cards for the current year, a point that the shares at 43p, for a p/e of 3, seem to recognise though the dividend, yielding 8.4 per cent., is safely covered nearly six times.

Record £0.58m. by S. Banks

GRAIN MERCHANTS and seed specialists, Sidney C. Banks, discloses record pre-tax profit of £0.58m. for the year to May 31, 1976, compared with £0.49m.—in the first half the figure was £0.32m. (£0.29m.).

Annual earnings per 25p share are ahead from 7.5p to 10.47p and dividend total is 3.3p net (3p), with a final of 2.3p.

	1975-76 £	1974-75 £
Turnover	26 415,103	28,331,835
Profit before tax	579,125	487 778
Taxation	263,795	267,712
Net profit	315,330	220,066
Dividends	55,557	49,750
Retained	229,443	170,306

● comment

A rise of 19 per cent. in pre-tax profits at Sidney Banks reflects the steady progress of most of the divisions. The only dull spot has been in fertilisers, where margins are suffering from world-wide overproduction. The major problem for the management at present is the uncertainty over possible revaluation of the green pound which makes forward grain contracts difficult. Retentions have been helped by a lower tax charge, but the major shareholders have ceased to waive their dividends for the time being, thus helping to increase the cost of dividends by 73 per cent. At 48p the shares yield 11.1 per cent.

M. F. North half time advance

On turnover increased from £902,500 to £1,052,200, pre-tax profit of hotel proprietors M. F. North for the half year ended June 30, 1976, advanced from £5,500 to £39,300. The interim dividend is maintained at 0.245p net per 10p share. Last year's total was 0.731p after profits of £217,158.

The major part of the improved profit was earned at the country and resort hotels, says chairman Sir Cyril Black, as during the period business in the London hotels was not by any means buoyant, although these hotels did show an improvement in profitability.

	Half year 1976 £	1975 £
Turnover	1,052,200	902,500
Depreciation	37,700	34,500
Trading profit	43 900	2,600
Interest receivable	9,800	19,100
Interest payable	15,400	16 200
Profit before tax	39,300	5,500
Taxation	20,700	2,800
Net profit	18,600	2,700

Business during the third quarter of the current year has shown a considerable improvement on the corresponding quarter of last year, Sir Cyril adds. Resort hotels have had a good summer season, with high occupancy, and occupancy remains at a higher level than in the past at the end of the high season. Bookings for the autumn are encouraging.

During this quarter the London hotels attracted a satisfactory volume of overseas business and while, obviously, the number of overseas visitors is now falling, they are still enjoying good occupancy for the time of year.

The development of the land at Oatlands Park Hotel is proceeding satisfactorily. The first 12 houses are near completion and active negotiations for sales are in hand.

Since the close of the half-year under review the company has entered into a contract for the sale of the freehold property and contents of the Alwin Court Hotel, Gloucester Road, South Kensington, Sir Cyril reports. It was felt to be in the interests of the company to reduce the number of hotels in South Kensington.

Negotiations are at an advanced stage for the purchase of a highly profitable hotel in one of the favourite seaside resorts.

Former editor of Star dies

MR. RALPH McCARTHY, 69, the last editor of The Star, London evening newspaper, has died. He was northern editor of the News Chronicle and in 1957 became the editor and director of The Star until it was closed in October, 1960.

After the paper's closure Mr. McCarthy joined with Nigel Neilson to form the public relations firm of Neilson McCarthy.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
G. M. Callender ......int.	0.55	—	0.5	—	1.1
Christies ......int.	1.0	Nov. 26	0.75	—	2.67
Empire Stores ......int.	1.53	Nov. 16	1.39	—	3.03
E. Fogarty ......int.	1.35(a)	Nov. 9	1.0	—	3.69
Thos. French and Sons ...	1.29	Nov. 18	1.44	2.29	2.09
Gerrard and National int.	2.5(a)	Dec. 6	1.5*	—	6.65*
Kode International ...int.	0.7	Jan. 4	0.63	—	1.34
F. J. C. Lilley ......int.	0.52	Nov. 29	0.48*	—	1.18*
Nigerian Elect. Supply int.	4.55	Nov. 29	4.55	—	9.75
Moorhouse and Brook int.	0.67	Nov. 29	0.67	—	3.98
Sidney Banks	2.3	—	2.15	3.3	3.0
Stag Furniture ......int.	1.7	Nov. 26	1.47*	—	3.91*
Wombwell Foundry	0.74	Nov. 24	0.64	1.07	0.98
External Inv. Trust ...int.	1.65	Nov. 15	1.5	—	3.0
Francis Industries ......int.	0.85(a)	Jan. 4	0.3	—	2.3
Hunt and Moscrop	0.24	Dec. 10	0.22*	0.46	0.42*
Kalamazoo	1.02	Dec. 8	0.86	1.73	1.58
London and Strathclyde...	0.81	Nov. 26	0.76	1.25	1.2
Lovell's Shipping ......int.	3	Nov. 3	Nil	—	5
Nth Atlantic Securities...	1.5	Dec. 9	1.2	2.2	1.9
Provident Life ......int.	3.3	Jan. 1	3.0	—	6.85
E. W. Tarry	7.5(b)	—	7.5	7.5	7.5
Transatlantic and Gen. int.	1.65	Nov. 15	1.5	—	3.0
Unochrome Intnl.	0.2	Nov. 25	0.2	0.4	0.4
Silverthorne	1.0	—	Nil	1.0	nil

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) To reduce disparity. (b) Gross.

Silverthorne recovery helps Unochrome

REFLECTING a turnround from a loss of £63,607 to a profit of £143,151 by the Silverthorne Group and lower interest and expenses, group pre-tax profits of Unochrome International showed an improvement to £573,811 in the year ended June 30 1976, compared with £503,833 for 1974-75. For the main division Unochrome Industrial Services profits were down from £689,662 to £525,090.

Referring to the UIS division chairman Mr. B. C. Owens points out that reductions in certain sectors were anticipated. However, AKD Engineering showed the highest individual profit in the group and its business in the North Sea Oil industry continues to expand. A £250,000 extension is now under construction and this operation is classed as a major growth point in the future planning of the group.

The parent company had a difficult and very disappointing year and a big investment in new premises and plant has been approved to restore the profitability level.

As regards the U.S. subsidiary this has caused the group considerable concern for some time and it was decided to liquidate this offshoot. Under the liquidation distribution the group recovered and will recover cash and was relieved of onerous dollar guarantees given. This disposal considerably strengthens the overall position of the group, says Mr. Owens.

The chairman stresses that despite the problems of the past two years the group has invested heavily in the future. Total capital investment in 1975-76 was £1.25m. following a figure of £1.92m. the year before. Outstanding commitments at the year end amounted to £652,450.

After tax and minorities and allowing for an extraordinary debit of £423,609 against £18,102, there is an attributable loss of £133,711 compared with a profit of £340,942. Excluding the extraordinary debit the earnings per share are 1.73p (2.14p).

The dividend is unchanged at 0.4p net, with a final of 0.2p.

	1975-76 £	1974-75 £
Profit:		
Unochrome Industrial	525,090	689,662
Silverthorne Group	143,151	*63,607
Imperial Square Inv.	22,301	116,396
Invest. dealing, etc.	18,180	*7,955
Interest and expenses	135,001	230,663
Profit before tax	573,811	503,833
Taxation	223,271	142,598
Net profit	350,540	361,235
Extra-ord. debit	423,609	18,102
Minorities	60,642	2,231
Attributable loss	133,711	†340,942
Dividends	64,396	66,898
From reserves	198,097	‡274,044
Earnings per ord. share	1.73p	2.14p

* Loss. † Profit. ‡ To reserves.

The extraordinary items comprise a loss of £299,763 (£28,638 profit) on disposal of subsidiaries and long term investment, payments on termination of services of Dutch employees (£56,785 for 1974-75) reduction in work in progress following a change in basis of valuation at a subsidiary £3,891 (nil), and former factory closure and removal expenses of £119,955 (nil).

The accounts disclose that remuneration of £20,928 (£18,730) has been waived by the directors, including £18,690 by the chairman due under his service contract.

At September 22, Jorehaut Holdings held 19.9 per cent. of the equity.

Meeting Cheltenham November 25 at noon.

● comment

Despite reorganisation, and even ignoring the cost of closing the abortive U.S. branch, Unochrome still has a long fight to get back to the profit levels of the early 1970s. At least managerial and production changes at the Silverthorne subsidiary have turned last year's £64,000 loss into a £143,000 profit, but continuing growth there may prove elusive as the products are tied to the depressed timber extraction and consumer hardware fields. More importantly, Unochrome Industrial Services had a 25 per cent. profit fall, despite record figures from AKD Engineering. This division is expected to be the growth area but the North Sea oil supply market is a highly competitive one while elsewhere, orders are proving hard to get. The shares at 8p are on a p/e of 4.8 while the dividend yield is 7.7 per cent.

Hunt and Moscrop upsurge to £1.05m.

ON TURNOVER slightly increased from £11.08m. to £11.33m., pre-tax profit of industrial machinery manufacturers Hunt and Moscrop (Middleton) for the year to June 30, 1976, advanced from £0.74m. to £1.05m.

Tax took £532,099 against £364,103, leaving £515,821 against £376,865.

	1976 £	1975 £
Turnover	11,331,270	11,083,975
Profit before tax	1,047,920	740,968
U.K. tax	451,704	327,438
Overseas	80,395	36,665
Net profit	515,821	376,865
Minorities	7,305	14,163
Dividends	95,924	87,204
Retained	412,592	275,498
Extraord. debits:		
Sale Canadian bldg.	—	*38,006
Reorg. new subs.	—	12,519
Scrip issue	1,785	1,556
Res. for cap. project	15,000	—
Cap. issue	183,808	—
Forward	1,018,105	816,285

* Credit.

Final dividend per 5p share is 0.243945p net, which lifts the total from an equivalent 0.41864488p to 0.460507p.

Half-time profit rise was from £346,000 to £454,000.

● comment

Hunt and Moscrop's 56 per cent. profits rise in the second half comes on a turnover rise of 12.4 per cent. against a 7.4 per cent. fall in the first half. But the profits acceleration is also due to a strong finish by the process plant division (on the completion of a major contract) and the turnround of the new acquisition in the general purposes division. Once again, the best trading performance was in heat exchange, the biggest division, where turnover rose from £2.4m. to £3.2m. and the profits contribution increased from 22 per cent. to 28 per cent., helped by a currency gain on Canadian profits. There may be fewer exceptional items in the current year but the underlying trend is upwards. At 14p the p/e is 5.8 and yield 5.1 per cent.

Progress for Stag Furniture

CONFIRMING the growth from the acquisition of Yatton Furniture, pre-tax profit of Stag Furniture Holdings increased by 46.5 per cent. to £0.75m. in the half year to June 26, 1976. All including Yatton, the figure for all 1975 was £1.3m.

Mr. P. V. Radford, chairman, states that the group remains in a strong and liquid position which has enabled £0.5m. repayment of the £0.8m. medium-term loan taken up in September, 1975.

There was a weakening in retail demand in the spring which led to a more competitive trading climate. The early autumn has brought the anticipated seasonal improvement and currently all companies are working to capacity. In 1975 the group exceeded its net profit reference level under counter-inflation legislation—this has precluded the operating companies from implementing price increases and accordingly a reduction in profit margins is to be expected during the second half, says Mr. Radford.

Adjusting for the one-for-[illegible] scrip issue in May, earnings per 25p share advanced from 6.66p to 9.17p—the net interim dividend is up from 1.4666p to 1.7p, absorbing £65,619 (£56,613). Last year's total was equivalent to 3.9129p.

	Half year 1976 £000	1975 £000
Turnover	7,442	[illegible]
Profit before tax	749	[illegible]
Taxation	390	[illegible]
Net profit	[illegible]	[illegible]
Preference dividend	5	[illegible]
Attributable to Ordinary	354	[illegible]

● comment

The 38 per cent. rise in earnings per share at Stag Furniture is largely due to the Yatton acquisition, which was paid for mainly in cash and yields more than bank deposits. Such a rate of increase would be difficult to sustain in the near future and the company warns that price control will hit profit margins in the second half. However, once the second half is out of the way, price increases will be permitted in January. The high level of profitability of the group is illustrated by the fact that since the acquisition it has repaid much of borrowings and once again has a net cash position. It could make other take-overs but might prefer to develop further the Yatton site. The furniture sector is likely to be an unpopular one with investors, but the maximum prospective yield on the shares at [illegible] of 14.9 per cent. should provide defensive qualities.

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RESULTS AND ACCOUNTS IN BRIEF

BAZALONI HOLDINGS (tea)—Results, 1975, reported October 7. Group fixed assets £384,[illegible] (£149,123). Net assets £550,135 (£522,401). Chairman says with prices for early season's teas of orthodox manufacture again further depressed, future cannot be viewed with optimism. Walter Duncan and Goodricke holds 13 per cent. and Octavius Steel and Co. 33 per cent. of the capital. Meeting, 37, Mincing Lane, E.C., November 2, at 2.30 p.m.

GRIMSHAWE HOLDINGS—Results for year ended May 1, 1976, reported October 6. Group fixed assets £1.59m. (£1.04m.). Net current liabilities £918,543 (£1.25m.). Meeting, Leeds, November 5, at 12.30 p.m.

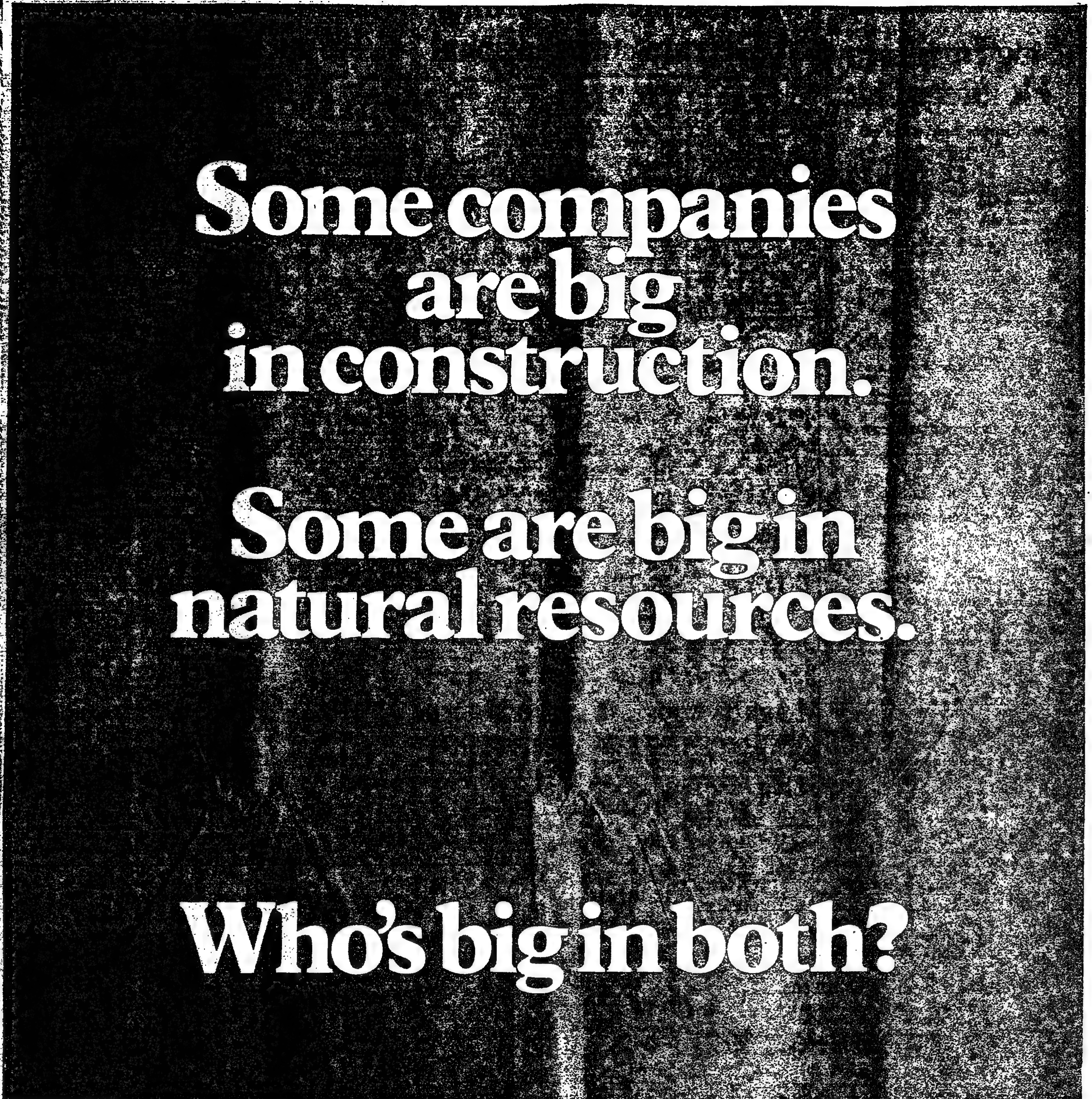
LUNUVA (CEYLON) TEA AND RUBBER ESTATES—Results 1975 already known. Net current assets £78,296 (£74,224). Investments in U.K. £409,812 (£397,779)—market value £515,230 (£264,520). Investment in Sri Lanka nil (£1,000 714). Due from Sri Lanka Government £329,200 (nil). Harrisons and Crosfield holds 44.85 per cent. and Harcros Investment Trust 18.31 per cent. of stock. Meeting, 1-4 Great Tower Street, E.C., November 5, at 11 a.m.

PALMERSTON INVESTMENT TRUST—Final dividend, 1.04p net (same) making 1.572p (same) for year ended March 31, 1976. Net group surplus after tax £9,370 (£30,334).

PHOENIX PRINCE GOLD MINING—Results year to March 31 already known. Fixed assets £31,396 (£31,420), net current assets £52,041 (£50,104). Meeting, Winchester House, EC, Nov. 1, noon.

SHIRES INVESTMENT—Revenue half year to September 30, 1976, £145,800 (£149,940). Profit £133,189 (£137,746), less tax £47,530 (£48,713). Net asset value 99.73p (104.5p) per 50p share. Interim dividend, already announced, 2.8p net.

THROGMORTON SECURED GROWTH TRUST—Results for year ended July 31, 1976, already known. Quoted investments U.K. £2.28m. (£2.32m.), abroad £167,171 (£217,826). Meeting, 25, Milk Street, E.C., on November 3, at 12.30 p.m.



Tarmac

Look closely at the top ten companies in the construction industry. They all fall neatly into one category or the other. Except one.

Tarmac balances its huge construction business with the manufacture and supply of building materials and the utilisation of vast natural resources.

While we are engaged in as many as 500 building and civil engineering contracts on any one day, we are also drawing on almost limitless reserves of stone, from over 100 quarries. Providing the basis for other group activities such as the production of road surfacing materials and ready mixed concrete.

At the same time we supply more waterproofing materials to the construction industry than any company in Europe.

This carefully maintained balance gives us our unique strength in the construction industry.

Probably the most soundly based international construction company in Western Europe.

Minimal midway profits at Gerrard and National

The directors of Gerrard and National Discount state that the first six months to October 5, 1976, which saw a sharp rise in Minimum Lending Rate from 9 per cent. to 13 per cent., was a time of considerable difficulty for the discount market. Despite these unfavourable conditions profits were achieved but at a minimal level compared with the high level of the same period last year.

Since then there has been a further increase in Minimum Lending Rate to 15 per cent. The company's book was very short prior to this latest rise, but depreciation has inevitably resulted. However, reserves remain very strong and the company is well placed to face any additional problems that may arise in the months ahead.

To reduce disparity between the interim and final dividends the directors have decided to pay an interim of 2.5p net per 25p share, compared with 1.5p. Last year's total was equal to 6.651p paid from net profits of £2.9m.

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See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims—Erith, Fothergill and Harvey, Geers Gross, Charles Hill of Bristol, Maurice James, P. and W. Maclellan, McNeill Group, Martin-Black, Root Harvesters, Wire and Plastic Products.

Finals — Hartley Industrial Trust, Newman-Tonks, Photo-Me International, Pressac, Prestwich Parker, Scottish Investment Trust, Second Broadmount Trust, Second Scottish Investment Trust, Slimma, Stothert and Pitt.

FUTURE DATES

Interims—

Bishopsgate Trust	Oct. 15
Dualvest	Oct. 20
Harrison (James)	Oct. 20
Hawker Siddeley	Oct. 19
London and Provincial Poster	Oct. 25
London Trust	Oct. 20
Lowland Drapery	Oct. 15
Marks (Alfred) Bureau	Oct. 18
Miller (Stanley)	Oct. 21
Plantation Holdings	Oct. 20
Reed Executive	Oct. 18
Sellncourt	Oct. 21
Time Products	Oct. 15
UDS	Oct. 19

Finals—

City and International Trust	Oct. 26
Lawrence (Walter)	Oct. 28
United Real Property Trust	Oct. 27
Wolverhampton Die Casting	Oct. 19

Wombwell Foundry pays more

FROM EXTERNAL sales up from £2.16m. to £2.6m., pre-tax profit of Wombwell Foundry and Engineering Company decreased marginally from £270,184 to £264,198 in the year to July 31, 1976, after £129,337 (£139,396) at halfway.

Earnings per 10p share for the year were 4.35p (4.27p) and the dividend is lifted from 0.975p to 1.0725p net with a final of 0.7375p.

	1975-76 £	1974-75 £
Turnover	2,898,972	2,155,558
Profit before tax	[illegible]	270,184
Taxation	135,692	144,287
Extraordinary credits	—	20,332
Net balance	128,506	146,229
Dividends	31,639	28,762
Retained	96,867	117,467

H. Baldwin turns in £117,600

After being up from £27,484 to £53,001 at half-time, profit of clay and concrete makers, H. J. Baldwin and Co. improved from £76,143 to £117,600 in the year to April 30, 1976, subject to tax of £62,960 (£45,820). Turnover was down from £1.88m. to £1.4m.

Stated earnings per 10p share are higher at 1.28p, compared with 0.59p—once again there is no dividend payment.

Kalamazoo lifts total to 1.73p

ON SALES up from £13.53m. to £15.21m., group pre-tax profit of Kalamazoo increased from £1.4m. to £1.68m. in the year to July 30, 1976, and the dividend is stepped up from 1.57584p to 1.733424p net with a final of 1.01842p.

When reporting a first half downturn in profit the directors stated that trading conditions since the beginning of 1976 had modestly improved. If the improvement continued, they said they hoped to maintain the dividend.

Earnings per 10p share for the past year rose from 2.2p to 2.7p.

As to the current year the directors say it is difficult to assess the true situation. Business is steady, although they see little of the surge the politicians promised.

	1975-76 £000	1974-75 £000
Sales	15,210	13,532
Profit*	2,132	1,808
KWA bonus	432	411
Pre-tax profit	1,669	1,397
Taxation	867	729
Net profit	813	668
Revaluation reserve†	174	237
Dividend	349	318
General reserve	273	98

* After depreciation (adjusted for inflation) of £750,000 (£751,000). † To augment accumulated depreciation at August 1, 1975, to 1976 value.

The company designs, manufactures and markets business systems and services.

Adwest looks for progress

IN HIS annual statement for the year to June 30, 1976, to members of Adwest Group, chairman Mr. F. V. Waller says that the improving economic climate of the country is reflected in the order books of most of the group companies. With the first full year of the reorganised Sealed Motor Construction in the group, he says he is looking forward to another year of improved profit.

The financial position of SMC, acquired in August, 1975, was far worse than the group had been led to believe, Mr. Waller says. Large losses had been incurred in the months prior to the takeover, and these continued until October. SMC has been profitable since then, he adds, after a drastic reorganisation of the overhead structure and action to improve profit margins.

The group plans to spend £500,000 on new equipment for the SMC factory, Mr. Waller explains.

In refutation of charges from the Government and trade unions that industry does not invest enough, Mr. Waller tells members that the group has been investing in new equipment and buildings during the past three years, and that this year it has an investment programme for £3m. which will be financed entirely out of resources. The group's financial position remains strong, he adds.

Group fixed assets are £8.21m. (£6.07m.), and net current assets are £8.68m. (£7.38m.).

The group made pre-tax profits of £4.22m. (£3.21m.) in the year under review (reported September 28).

Meeting, Dorchester Hotel, W., November 11 at noon.

Empire Stores ahead 5.2% at half way

EXCLUDING VAT, sales of Empire Stores (Bradford) increased by 28 per cent. to £33.6m., and pre-tax profit advanced by 5.2 per cent. to £1.86m. in the 28 weeks to August 14, 1976.

And the directors believe that, as usual, the second half will show not only greater sales, but a larger percentage of profitability than the first half, says the chairman, Mr. C. T. Wells. For the 53 weeks to January 31, 1976 sales were £60.27m. and pre-tax profit of £4.43m.

Earnings per 25p share for the half-year were 4.09p (4.45p), the interim dividend is raised from 1.39p to 1.53p net, and the directors intend to recommend a maximum permitted final of 1.8p (1.64p).

	28 weeks 1976 £000	1975 £000
Sales	33,597	28,024
Trading profit	1,976	1,873
Income receivable	31	140
Interest payable	199	248
Profit before tax	1,857	1,765
Taxation	966	918
Net profit	891	847
Ordinary interim	333	303

The company is up to date with the target set relating to computerisation of administration of over 300,000 active agents. Although the costs have been as high as expected, the work has proved to be very worthwhile, and on completion, in late 1977, the directors believe the new methods will add considerably to internal efficiency and will do much not only to stabilise administrative costs, but will also help to increase profitability.

The sales increase is slightly ahead of the national inflation rate and shows a small but genuine growth in sales units. The profit rise is not spectacular, but in view of high costs together with large investment for the future in the computer department and its systems, it is not an unsatisfactory result, says Mr. Wells.

The figure of active agents at the half-year shows a reasonable increase and augurs well for the sales budgeted for in the last part of the trading year. This increase in agents and their subsequent sales has been satisfactory although it has been followed by an increase in debtors and an increase in the finance necessary to back up this growth.

The company's own van delivery service now serves 40 per cent. of total agency strength. Within the last fortnight the third trunking depot was opened. After a short period of consolidation, consideration will be given to a further increase in this service.

The autumn and winter catalogue has now been in the hands of the agents for more than two months. A considerable further increase in the sales pattern has been seen and the directors feel sure that at the end of the year "very satisfactory sales figures will have been obtained," says the chairman.

See Lex

G. Callender progress

First half 1976 turnover of George M. Callender and Co. increased from £1,714,871 to £2,162,111 and net profit advanced from £45,645 to £73,279, after all charges including tax of £119,002 (£89,143).

But the directors warn that the level of profits should not be taken as indicative of profit to be earned in second half.

They point out that adoption of new standards for roofing felts will increase manufacturing costs, but at the moment, it is difficult to foresee what effect this will have on sales and profits for the remainder of the year.

Earnings per 10p share for the half year increased from 1.2p to 1.6p, and the interim dividend is stepped up from 0.5p to 0.55p net. Last year's total was 1.1p from net profits of £208,511.

Gallenkamp looks to exports

FOR GROWTH in turnover and a major contribution to profit in the current year, A. Gallenkamp and Co. will continue to depend on exports, Mr. Peter Hallett, chairman, tells holders.

He believes that the group should achieve a progressive result from the current year's trading but also "a degree of flattening of the growth curve which represents the record of our recent past performance."

Mr. Hallett sees little possibility of any material increase in the potential volume of home market sales this year.

Despite continued costs inflation and "stultifying legislation" in the year ended June 30, 1976, the group was able to maintain its trading position and to improve efficiency in the utilisation of its resources, he adds.

As known, trading profits advanced from £2.43m. to £3.87m. or, adjusted for inflation on a CCA basis, up from £1.1m. to £3.08m.

Sales increased by 18 per cent. to £23.56m., the rise coming primarily from overseas markets—export sales represented 43 per cent. of total group turnover. Africa took 44 (41) per cent. of exports, Asia, the Far East and Australasia 33 (34) per cent., Europe 12 (14) per cent. and the Americas 11 (same) per cent.

The company makes scientific apparatus and instruments, biological materials and laboratory furniture and fittings.

Meeting, Winchester House, EC, November 9, 11.30 a.m.

Pennine Motor cuts deficit

Reflecting disposals, turnover of the Pennine Motor Group dropped from £5.06m. to £2.77m. in the year ended January 31, 1976; the loss has been cut from £0.36m. to £0.2m. after tax of £5,209 (£27,169).

The loss per 10p share was down from 4.39p to 3.49p.

For the first half of the current year turnover amounted to £0.65m. (£1.67m.), and the net loss £3,862 (£62,983)—loss per share is shown to be 0.06p, against 0.97p.

London & Strathclyde

Gross revenue of London and Strathclyde Trust dropped from £678,678 to £562,483 in the year to August 31, 1976, and net revenue was lower at £165,2[...] (£197,815) after tax of £109,1[...] against £132,719.

The net final dividend is 0.812[...] for a 1.25p total (1.2p). Net ass[...] value per share is 46p (43).

Savoy in profit at halfway

REFLECTING measures taken [...] The Savoy Hotel, and so[...] distinct signs of revival in t[...] volume of trade, the recover[...] which began in the second half [...] last year, gained momentum [...] the first half of 1976, and has co[...]tinued at an increasing pace sin[...] then.

A loss of £359,000 in the fi[...] six months of 1975 has been co[...]verted into a small surplus [...] £26,000, and profit for the ye[...] should be much better than t[...] £52,000 for 1975, the direct[...] state.

The half-year profit is stru[...] after reduced interest charges [...] £251,000 (£374,000).

Many difficult and intransige[...] problems remain, including [...] adverse effect of the depreciati[...] of the pound upon the compan[...] foreign loan, and it will need [...] the skill available by everyo[...] working in the business to ke[...] up standards of quality a[...] service, whatever other pressur[...] there may be, to ensure the co[...]pany's continued progress, th[...] add.

	Half year 1976 £000	1975 £000
Total receipts	7,577	6,259
Trading profits	1,251	818
Gen. maintenance	539	588
Deprec. and amort.	135	129
Divs. and interest receivable	26	12
Interest payable	251	374
Net profit	26	*159
Exchange depreciation foreign loans	839	168

* Loss.

External Inv. Trust ahead

Net revenue of External Inve[...]ment Trust improved from £93,7[...] to £102,177 in the half year [...] September 30, 1976—for 1975 [...] the figure was £195,408.

The net interim dividend [...] stepped up from 1.5p to 1.65p a[...] a maximum permitted total [...] 3.3p is forecast, compared wi[...] 3p.

Net asset value was 169.[...] (142.8p).

Transatlantic and General

Net taxed revenue of Tra[...]atlantic and General Investme[...] decreased from £35,913 to £24,8[...] in the half year to September [...] 1976. The figure for the ye[...] to March 31, 1976, was £71,788.

The interim dividend is lift[...] from 1.5p to 1.65p net per [...] share and a maximum permitt[...] total of 3.3p (3p) is foreca[...] Reserves are fully adequate [...] justify the forecast, the directo[...] state.

Asset value per share was 111.[...] (92.2p).

Fogarty tops £½m. at mid term

THE IMPROVING trend reported by the directors of E. Fogarty and Co. in respect of the first quarter of 1976 has been maintained throughout the first six months and the group pre-tax profit for that period emerges £185,000 ahead at £510,000.

Business in the second half continues to be good, they state. The group's business is that of processors of man-made fibres, down and feather fillings and manufacturers of house textiles.

Turnover in the first half moved up from £5.56m. to £8.03m. After tax of £265,000 (£169,000), the net profit comes through at £245,000 compared with £156,000, giving earnings per 25p share of 10.6p against 6.7p.

To reduce the disparity between payments the interim dividend is raised from 1p to 1.35p and the directors intend to recommend a final of 2.712p to bring the total up to the maximum permitted of 4.062p. For 1975 a total of 3.69p net was paid from record profits of £856,000.

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Lovell's back in profit

FOR THE half year to June 30, 1976, pre-tax profit of Lovell's Shipping and Transport Group was £94,900 against a loss last time of £243,300. The profit is struck after interest charges of £14,100 against a credit of £9,000.

The group resumes payment of an interim dividend with 3p net per £1 share. Last year's only dividend was a final of 5p after a pre-tax loss of £387,000.

The directors reiterate their advice not to accept the offer from International Ferry Freight, and reject the offer as totally inadequate.

	Half year 1976 £	1975 £
Trading profit	*109,000	†82,300
Interest	14,100	‡9,000
Profit before tax	94,900	§243,300
Tax	47,000	†97,000
Leaves	47,900	§146,300
Extra-ord. debit	—	36,000

* After depreciation and leasing charges £108,000. † Loss after surplus on sale of fixed assets £123,000. ‡ Credit. § Loss.

North Atlantic Securities

Gross revenue of the North Atlantic Securities Corporation, amounted to £969,517 in the year ended September 30, 1976, compared with £796,249, and net taxed revenue came through at £419,098 against £376,019. The directors point out that the revenue figures are not comparable due to the issue of £2.2m. of loan stock in May, 1975.

The dividend is raised from 1.9p to 2.2p net, with a final of 1.5p.

Net asset value per 25p share amounted to 118½p (96½p) or to 115p (96p) assuming full conversion of the loan stock.

James Miller sees further progress

Presenting the 1975 report and accounts to shareholders, Mr. J. Miller, chairman of James Miller and Partner, the construction and civil engineering group, reported an increase in pre-tax profits to £1,673,882. Sales rose in all spheres of activity and turnover increased to £34.6m.

In the light of the uncertain economic climate the group reduced borrowings in 1975 by £1.62m. and liquidity was further improved by the rearrangement of existing facilities including the introduction of long-term finance.

On future prospects, Mr. Miller said that 1976 would show a substantial increase in profitability and that the group would further strengthen its position. Activities of the group include civil engineering and construction, opencast coal mining,

Francis set for record profit

SALES OF engineering group, Francis Industries, increased from £9.68m. to £12.84m. in the first half of 1976, and pre-tax profit recovered from £86,900 to £472,000 exceeding the £467,481 for the year 1975.

And the directors expect that profit for the current year will exceed the 1974 record £720,199 "by an encouraging margin."

	Half-year 1976	1975
	£	£
Group sales	12,842,098	9,680,496
Profit	700,300	335,500
Interest charges	228,300	248,600
Profit before tax	472,000	86,900
Taxation	245,440	45,200
Net profit	226,560	41,700
Preference dividend	3,530	3,653
Ordinary	49,724	17,385

Earnings per 25p share increased from 0.6p to 3.8p, and the interim dividend is lifted from 0.8p to 0.85p to reduce disparity. A maximum permitted total is expected (2.398375p for 1975).

Results in the later months of the period were affected by reduced activity in the construction industry. However, there has been an improvement in demand from customers in the car, oil and paint industries. In addition, indications are that the subsidiaries supplying those industries have increased their share of the available market which should afford some degree of protection to the level of sales if there is any deterioration in market conditions during the next three months, the directors state.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	American Medical Intl. $1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Berry Pacific Pd. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Borthwick (Thos.) [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5.2
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Dennys Ins. Inc. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Rainbow B.C.U. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Zolus S.A. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Eastbourne Waterworks 9% Red. Pref. [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Greaterson [illegible] Notes [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Ind. Fund of Finland 7% Guar. Notes [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid-Sussex Water 7% Red. Pref. [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid-Sussex Water [illegible] Red. Deb. [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Tate & Lyle [illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	York Water [illegible] Red. Deb. [illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or −
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Armstrong Equipment	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Bank N.S. Wales	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Black & Edgington	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Bonas Webb	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Broken Hill Prop.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Brown (Matthew)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Bunzl Pulp	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Comm. Bk. Aus.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Fairbairn Lawson	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Howden (Alexander)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lourho	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Noton Estates	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	P.M.A.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	S.A. Land & Ex.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Shakespeare (J.)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Western Mining	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Whatlings	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Wordside-Barnett	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

BIDS AND DEALS

CompAir offers £6.47m. for Desoutter Bros.

A bid worth £6.47m. by CompAir for pneumatic and power tool group Desoutter Brothers ran into immediate Board opposition following the announcement yesterday. And with the Desoutter family and directors, plus their families, controlling a total of 53 per cent. of the Desoutter equity, CompAir's chances of success seem limited.

CompAir gave the reason for its rush announcement yesterday as the recent activity in the Desoutter share price, which fell by 8p last Friday to 85p but recovered during the first two days of this week to 93p on speculative buying. However, at the beginning of September the Desoutter share price stood at 118p. Last night the shares closed 32p higher at 125p after 135p, or almost 14p below the value of the bid. CompAir ended the day 2½p lower at 52p.

Desoutter shareholders are being offered 8 CompAir shares for every three Desoutter shares held.

The statement from CompAir effectively leaves the door open for a higher offer. The Board has stated that it intends to seek further discussions between the two companies and their respective advisers to ascertain whether "a mutually acceptable basis for a merger can be found which would carry the recommendation of the Board of Desoutter."

However, a spokesman for Desoutter said last night that the level of the bid was not the critical factor and that any bid would be unwelcome. He stated that shareholders' interests would be best served by the company remaining independent.

Desoutter Brothers reported annual profits of £1.75m. for 1975, compared with £1.80m. in the previous year. At the half-way stage the pre-tax figure was £855,000, against £952,000 in the corresponding period.

Financial advisers to Desoutter are Samuel Montagu. Morgan Grenfell is advising CompAir.

● comment

CompAir is going to have to pay a great deal more than the 138p at which the current bid values Desoutter. With 53 per cent. of the shares, Desoutter directors and their families are unlikely to be impressed with an exit p/e of 7.6 (fully-taxed), even though it is slightly higher than the average of 6.2 for the engineering sector and despite the rather erratic profits performance of recent years—even this year's interim profits were 10 per cent. lower. If they can be persuaded to accept a higher price from CompAir, they and minority shareholders will be getting paper in a company with a much more impressive growth record—profits have risen progressively from £1.8m. nine years ago to £7.5m. in 1975 and this year's interims are a tenth higher. For CompAir shareholders the value of a merger will be a stronger group to compete in the international market, but there will be earnings dilution if more generous terms are forthcoming. Desoutter closed at 125p (up 32p) and CompAir at 52p (down 2½p) yesterday.

KULIM EXPANDS OIL PALM AREA

In line with the intention of Kulim (Malaysia) Berhad to increase Malaysian participation in the company, it has bought 13,777 acres of an oil palm area in Jehore from the Jehore Economic Development Corporation.

The consideration is a total of 23.2m. shares in KMB which will increase JSEDC's holding in KMB from 11.98 per cent. to 41.5 per cent.

Shares issued will only gradually rank for dividend: 10.9m. will rank in 1977, 6.3m. in 1978, 3.4m. in 1979 and the remaining 28m. in 1980. The authorised capital of KMB will increase from $M122.9m. to $M134.5m., there is no intention or requirement on the part of JSEDC to make any further general offer.

KMB say they intend to declare dividends of 23 per cent. gross (compared with 21.75 gross in 1975) and expect, subject to satisfactory commodity prices, to maintain the rate of dividend, if necessary out of reserves, while the new acres advance to maturity.

The results for 1977 will be affected by the inclusion of new immature acres, which effect will continue, but to a decreasing extent in 1978 and 1979.

PITTARD LAND ACQUISITION

Pittard Group through its subsidiary company, R. and A. Kohnstamm, has exchanged contracts to acquire the freehold of the land at Beckenham on which that company's tannery stands, as well as the freehold of approximately 1 acre of adjoining vacant land. The consideration is £475,000 cash, of which £75,000 is payable on completion and the balance by equal instalments over the next 10 years, or earlier at the purchaser's option: interest at 13 per cent. per annum will be payable on outstanding balances.

The advantages to Pittard will be not only the immediate saving in rent of £37,500 per annum, but also the removal of the threat of a very substantial rent increase at the next review date.

TOLLTRECK/STONE-PLATT FLUIDFIRE

Tolltreck, the Droitwich-based process and systems engineers, and Stone-Platt Fluidfire, the Dudley-based fluid bed technologists, have formed a joint company called Tolltrek Fluidfire to act as designers and engineering contractors for industrial fluid bed systems which will be supplied on a turnkey basis in a range of process environments.

The joint company will offer complete systems for the continuous and automatic processing of a variety of industrial materials.

SHARE STAKES

Paisley has acquired 10,000 Ordinary shares in Goode Durrant and Murray. Mr. W. J. McNeill, Mr. L. G. Dickman and Arawak Trust (Cayman), as joint trustees, have a non-beneficial interest in the shares.

Mr. John Bairstow has purchased a further 10,000 shares in Queens Moat Houses, bringing his total holding to 2,470,567 shares (14.75 per cent.).

CENTREWAY

The sale of the remaining ½m. Ordinary shares in Centreway Securities, in which G. R. Dawes Holdings and its subsidiaries were interested was completed on October 11.

BURLINGTON SLATE

Burlington Slate has reached agreement for the acquisition of Broughton Moor Green Slate Quarries for a figure slightly in excess of £400,000. Discussions have been going on for some months.

NO PROBES

The proposed mergers between EMI and Nuclear Enterprises; APV Holdings and Hall-Thermotank; and Kaye Organisations and Henley Forklift Truck Group will not be referred to the Monopolies and Mergers Commission.

FURNESS SELLS ECONOMIC INS.

Furness Withy, the shipping group, has sold its insurance subsidiary, Economic Insurance Group, to L'Alsacienne Group of Strasbourg, for a cash sum "in excess of the net assets" as shown in the company's last balance-sheet, which amounted to £2.2m.

In September, 1974, Furness Withy acquired the 33 per cent. of Economic not already owned, for 160p a share, which valued the whole company at £1.8m.

L'Alsacienne Group has not previously been represented in the U.K. and its total assets are in excess of £90m.

The transaction is subject to the consent of certain U.K. and French authorities.

Confidence at Staffs. Potteries

In his annual statement to shareholders of Staffordshire Potteries (Holdings) for the year ended June 30, 1976, chairman Mr. C. W. Bowers says that there are signs of a gradual upturn in world trade, and accordingly the current investment programme has been deliberately timed to take advantage of a recovery.

The next 12 months will no doubt have its share of difficulties, he says, but the group is confident that these problems can be contained and that further progress will be made during the current year.

The group made an increased pre-tax profit of £702,000 for the year, against £513,000 (reported September 17).

The chairman says that the past year has been one of development for the group. He points out that group exports to external customers have increased by 23 per cent. and now represent some 37 per cent. of turnover.

Mr. Bowers gives details of the financial restructuring of the group, involving a 200 per cent. scrip issue (reported October 13). The group debt position, which is already good, will be further improved, Mr. Bowers hopes, because the increased dividend and the proposed scrip issue will encourage holders of Loan stock to convert into shares.

The group has increased its holdings in the Canadian subsidiary Staffordshire Potteries (Canada) from 68 per cent. to 95 per cent., Mr. Bowers reports, and expects to feel the benefit of this in the current year's trading.

The management and budget accounting function has been transferred to the group's in-house computer, which has already improved management accounting control.

In June, the group's technical department completed the installation of the first of four industrial effluent control plants, Mr. Bowers adds. The primary function of this equipment is to reduce pollution and contribute to the local environment, and it also incorporates a water recycling capability.

Group fixed assets are £3,022,000 (£2,146,000), current assets £2,984,000 (£2,433,000), and current liabilities £1,940,000 (£1,950,000).

Meeting, Stoke-on-Trent, November 9, at 12.30 p.m.

MINING NEWS

CGFA hoping to do better this year

BY KENNETH MARSTON, MINING EDITOR

SOME CHEER comes for Consolidated Gold Fields which has suffered a sharp fall in its profits for the year to June 30—as reported here yesterday—in line with similar experiences during the same period of the Gold Fields of South Africa and Consolidated Gold Fields Australia offshoots.

The directors of CGFA, which underwent a 62 per cent. fall in profits during 1975-76, now reckon that an improvement in the Australian company's operating results which has since developed will continue in the current financial year to next June. They add that programmes to consolidate group affairs and to contain costs will be "vigorously pursued."

A first step towards tidying up the Australian organisation has already come with the proposed merger of the mineral sand producing Associated Minerals Consolidated and Western Titanium. Sales of these minerals have been affected by reduced demand but signs of a recovery are now evident, it is stated, although the potential excess supply of zircon is a cause for concern.

CGFA expects tin demand to remain firm; anticipates increased coal sales following the installation of new production capacity; and expects to fare somewhat better than in 1975-76 from copper but points out that current copper prices are not high enough to enable profits to be generated from the group's operations.

Japanese put coal first

ANY DECISION on the development of new iron ore operations in Western Australia is likely to be delayed at least until after next March, reports from Australia indicate. The prospects of development have not been entirely ruled out by the Japanese arrangement with the Rio Tinto-Zinc group's Hamersley mine and the Robe River operation in which Cliffs Western Australian Mining is a partner for the provision of an extra 9m. tonnes of iron ore and pellets after 1979.

But the role of the Japanese customers remains crucial. Mr. Saburo Tanabe, the senior managing director of Nippon Steel, is said to have made it known privately on a recent visit to Australia that the attitude of the Japanese steel industry to the Western Australian iron ore producers will not be made clear until the Japanese have decided on contracts for major coking coal projects in Queensland. Such decisions will not be made until after March, 1977.

At that time the partners in Queensland's large Nebo coal prospect, Thiess Holdings, the Australian coal and engineering group, Peabody of the U.S. and Mitsui of Japan, are expected to produce development proposals for the Japanese to consider. The Japanese are in any case negotiating with Utah Development about another big Queensland prospect at Norwich Park.

The Japanese view of the iron ore situation has been complicated by the restructuring of the shareholdings at one of the competing prospects, the Goldsworthy Area C, at which Utah has emerged as manager. Utah is preparing fresh proposals for the Japanese.

The other contenders are Broken Hill Proprietary's Deepdale and Texasgulf-Hanwright's Marandoo. The Japanese steel mills expect to receive Utah's suggestions later this month and then, according to Mr. Tanabe, new negotiations will take place.

GENERAL MINING QUARTERLIES

Apart from the impact of lower gold prices received during the September quarter, the mines in the General Mining group have also done less well from uranium sales. The latter can vary quite sharply from quarter to quarter and Buffels sold no uranium at all in the past three months.

West Rand's revenue from this source was much lower and an overall working loss was incurred—as shown in the accompanying table—before the receipt of State aid. Also in receipt of State aid is Stilfontein which increased gold production last quarter but obtained a lower revenue as a result of a gold price of $111 per ounce compared with $121 in the previous three months.

	Sept. qtr. R000	June qtr. R000	Mar. qtr. R000
Buffelsfontein	4,569	5,394	10,534
S. Roodepoort	*610	*276	*57
Stilfontein	*715	932	812
W. Rand Cons.	*3,016	*557	*1,505

* Loss.

ROUND-UP

Vancouver's Colby Mines states that court actions between it and the Canadian Imperial Bank of Commerce have been dismissed without cost to the company. Meanwhile Colby has resumed exploration at the Kingfisher Creek lead-zinc property in British Columbia. Also, an agreement has been reached with the Dickenson Group company, New Cinch Uranium, under which New Cinch can earn a half stake in Colby's uranium property at Golden, British Columbia by providing all the funds for the first stage of expansion.

The international mining group, Amax, is paying a quarterly dividend of 43.75 cents (26.31p), unchanged from the previous quarter, it is announced in New York. London's Selection Trust has a stake of 8.57 per cent. in Amax.

The French company, Sogerem, part of the Pechiney Ugine Kuhlmann group, is searching for chrome-bearing minerals in Brazil. Indications have been found in Bahia state. The aim is to diversify group chrome supplies. Work is still at the prospecting stage.

TIN COMPANIES HEAD EAST

Following the acquisition of London Tin Corporation by Malaysia's state-owned Pernas Securities, three companies in the London Tin group are seeking to change their domicile to Malaysia.

They are Southern Kinta Consolidated in which the London Tin stake is 31.8 per cent., Malayan Tin Dredging in which London Tin has 39.2 per cent. and Southern Malayan Tin Dredging where the London Tin holding is 10.1 per cent.

Each company will be reconstructed, with the shareholders exchanging their holdings for an equal number of shares in a new Malaysian company. Should the shares in the new Malaysian company be sold, 75 per cent. of the proceeds would qualify to be treated as investment currency, which stands at a premium of about 39 per cent.

Purchases of shares in the companies now attract the investment dollar premium, following a notice published by the Bank of England. But proceeds from any sale of shares will not be treated as investment currency until the new schemes of arrangement become effective. Yesterday Southern Malayan were 195p, Southern Kinta were 88p and Malayan Tin were 235p.

Randfontein makes more

DESPITE THE receipt of an average gold price in the September quarter of $112 per ounce compared with $122 in the previous three months, the Johannesburg Consolidated group's Randfontein has achieved the distinction of increasing its working surplus and holding costs in check in the latest quarter.

Reflecting the progress of the new Cooke mine, the gold grade has climbed by a further 2 grams per ton to 18.5 grams and this has been accompanied by another increase in the amount of ore milled during the quarter to 241,000 tons; the big expansion programme envisages an eventual monthly milling rate of 250,000 tons.

Meanwhile, construction work has started on the new gold and uranium plant at the Cooke section and refurbishing is under way at the old Randfontein section's Millsite uranium plant.

The fall in September quarter working profits at the big, but low-grade, Western Areas—which received $112 per ounce against $120 in the June quarter—has been cushioned by increased production together with a reduction in working costs. Final commissioning of the Elsburg section's reduction plant is expected to be completed in the current three months.

	Sept. qtr. R000	June qtr. R000	March qtr. R000
Randfontein	9,964	9,409	7,748
Western Areas	3,168	4,851	5,278

COMALCO EXPANDS IN TASMANIA

The Australian aluminium producer, Comalco, which is 45 per cent. owned by Conzinc Riotinto of Australia, is to spend $9.8m. (£7.3m.) on expanding its Tasmanian smelter at Bell Bay. New furnaces will provide an extra 18,900 tonnes of primary metal capacity to make a total annual capacity of 114,500 tonnes. The work will be completed by June next year.

Comalco is taking this step because of the improving demand for aluminium. Work was started several years ago but suspended in 1975. In the first half of this year there was a noticeable improvement in the aluminium market, but free market prices turned down in the third quarter. The RTZ group takes the view, however, that this is a pause in the recovery from recession.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

U.S. banking quarterlies confirm improving trend

BY STEWART FLEMING NEW YORK, Oct. 13.

CITICORP and J. P. Morgan, two of the largest commercial banking companies in the U.S. to-day reported earnings figures roughly in line with trends established earlier in the year.

After nine months, J. P. Morgan's consolidated net income is up 4.2 per cent. at \$141.9m., compared with \$136.2m. in the same period of 1975.

A factor in the improvement has been the profit on securities transaction of \$1.8m. compared with losses of \$5.7m. in the same period of last year.

Morgan, which is the holding company for Morgan Guaranty Trust, said that compared with the corresponding period of 1975 the nine months figures reflect a modest decline in net interest earnings, sharp improvement in bond department trading profits and in trust and agency income and a smaller provision for possible loan losses.

Citicorp, formerly First National City Bank of New York, said that in the first nine months of this year operating earnings have risen by 9 per cent. to \$293.4m. compared with \$269m. in the same period of 1975.

Net income including securities gains and losses are up by 7 per cent. at \$290.3m.

The company said that the increase in operating earnings reflected in a 3 per cent. improvement in net interest revenue, a lower effective tax rate and increased earnings from affiliates. Pre-tax earnings for the nine months were down by 5 per cent., it added.

First Chicago Corporation, parent company of another leading U.S. commercial bank, the First National Bank of Chicago, reported that after nine months its net profit after securities gains is \$79.3m. compared with \$81.5m. in the same period of 1975.

One of the largest banks in Philadelphia reported to-day that its third quarter profit had been adversely affected by significantly increased loan loss provisions largely as a result of a single loan the Bank has made to a real estate investment trust.

As a result the Bank's net earnings after securities transactions for the first nine months of the year have slumped to \$4.1m. compared with \$12.6m. in the same period of last year.

IBM doubt on final quarter

BY JAY PALMER NEW YORK, Oct. 13.

INTERNATIONAL BUSINESS Machines, the world's leading supplier of data processing equipment, halted a mild Wall Street share price upturn in its tracks this morning by forecasting that it was unlikely to be able to sustain the rate of earnings growth seen over the first nine months of this year during the final quarter.

At the same time, however, it is clear that IBM's third-quarter earnings performance was in line with the market's buoyant expectations. IBM lifted its net profits during the three months by 18½ per cent. to \$586.9m., boosting earnings per share up to \$3.90. The company's income from sales, rentals and services rose 9.9 per cent. to \$3.9bn.

Over the first nine months of this year IBM, benefiting from the now year-old increase in the proportion of deliveries purchased outright rather than rented, increased net earnings by 23 per cent., from \$1.4bn. to \$1.7bn. This lifted earnings per share for the period to \$11.47 while gross income was up just over 36 per cent. to \$4.1bn.

IBM's quarterly returns for this autumn period came out simultaneously with those of Honeywell. Like its larger competitor, Honeywell moved strongly ahead—lifting quarterly net profits by 20 per cent. to \$36.9bn. to achieve a rise of 14 per cent. in earnings per share at \$1.80. Three months revenue rose 13 per cent. to \$641.4m.

During the first three quarters of this year, Honeywell's net profits rose 57 per cent. to \$69.9m. while earnings per share climbed 50 per cent. to \$3.43. Revenues rose a mere 8 per cent. to \$1.79bn.

In its Press release, IBM noted that the large proportion of outright purchases continued for this last quarter. However, Mr. Frank Carey, the company's chairman, noted that this favourable trend first became significant in the final quarter of 1975 and that consequently the final quarter of this year would almost certainly show a less impressive quarter-to-quarter gain.

In recent months IBM executives have quantified the sort of slowdown the company is seeing in its rental and service areas. Growth here is now running at about a 4.9 per cent. annual rate compared with, in past years, something approaching 18 per cent. But the slack here is more than made up by the hefty surge in sales demand, a trend which is good for immediate earnings but will certainly remove before too long IBM's traditional stabilising factor from incoming rental revenues.

Volkswagen chief facing fine

BY A. H. HERMANN, LEGAL CORRESPONDENT

HERR TONI SCHMUECKER, Volkswagen's Chief Executive, may have to pay a fine of up to DM50,000 should the Federal Cartel Office conclude that his delaying tactics, successfully employed in the course of an inquiry into VW price increases, amounted to a deliberate misleading of the Cartel Office. Should such conclusion be reached Herr Schmuecker will be able to appeal to the Courts, though such an appeal might provide the Cartel Office with publicity for its claim that abuses of dominant position cannot be efficiently counteracted unless dominant enterprises are obliged to notify price increases before they effect them. The prospects of such a change in the German Competition Act 1973 are slight at present and the Cartel Office feels all the more frustrated as it is prevented by law from prosecuting abuses, while unable to keep in step with price increases camouflaged by the introduction of new models.

It appears that Herr Schmuecker made good use of this weakness in the Cartel Office armoury when the Cartel Office started to investigate price increases effected by VW, and also by Opel and Ford last March.

Gray Tool and Joy in merger move

JOY MANUFACTURING and Gray Tool have executed an agreement in principle, according to AP/Dow Jones.

Under the agreement, Gray shareholders will receive for each Gray share that number of shares of Joy common stock determined by dividing 40 by the average closing prices of Joy common stock on the New York Stock Exchange for a specified period before the merger. However they will receive not less than 0.85, nor more than 1 share of Joy stock per Gray share.

● PETROLANE said it had no comment on the tentative merger agreement between Joy Manufacturing and Gray Tool other than to say the pact does not preclude Petrolane from continuing to press its offer of \$30 a share for any or all of the 1.7m. Gray Tool shares outstanding.

Westingh'se quarterly profits move ahead

WESTINGHOUSE ELECTRIC announced third quarter net profits from continuing operations of 67 cents a share against 57 cents previously.

Net profit from continuing operations \$59m. against \$50m. In the 1976 period net was \$59m. against \$36.6m. or 42 cents a share.

The 1975 period net included a loss of \$13.4m. on disposal of businesses discontinued in 1974.

Sales \$1.47bn. against \$1.45bn.

Nine months income from continuing operations \$160.8m. or \$1.83 against \$124.6m. or \$1.42.

In the 1975 period the \$13.4m. loss on disposal of discontinued businesses reduced final net to \$111.2m. or \$1.27.

There were no special items in the 1976 periods.

Sales \$4.46bn. against \$4.20bn.

The company announced that the U.S. Justice Department has been examining pricing policies in the turbine generator industry.

BRITISH EUROBORROWING

Conditions in favour

BY TONY HAWKINS

DESPITE Britain's severe economic difficulties, conditions for further U.K. borrowing in the Euromarkets are broadly favourable.

In the first nine months of 1976, foreign borrowing by the U.K. public sector under the Treasury's exchange cover scheme—almost entirely on behalf of the nationalised industries—amounted to \$2.65bn. The Electricity Council is currently in the market for another \$500m. and banking sources stressed yesterday that they thought it highly unlikely that there would be further such public sector Euromarket borrowings this year. The prevalent belief was that further resort to the Euromarket would be delayed until after the IMF standby credit has been agreed.

Rates downtrend

At present, market conditions are very favourable to borrowers as a result of the downtrend in interest rates on the Eurodollar market, largely reflecting the situation in U.S. money markets. Banks both in the U.S. and in Europe are underlent as a result of the sluggish recovery from the world recession and the apparent reluctance of corporate borrowers in particular to resume high levels of investment in new equipment, plant and machinery.

This has meant that borrowers in the international capital market—either those issuing fixed-interest Eurobonds or borrowing by way of medium-term syndicated bank credits at floating rates of interest—have been able to obtain funds at declining rates of interest.

At the same time, as it has increasingly become a borrowers market, so maturities of loans have tended to lengthen. The present consensus in the market is that both the trends towards lower interest rate costs for borrowers and longer maturities are likely to continue next year, which is when the U.K. is expected to resume its Euromarket borrowing. Although interest rates themselves may level off and even tend to increase—with higher rates of inflation—spreads are expected to move increasingly towards and possibly even below the 1 per cent. level.

For all her present economic problems, Britain is still able to borrow on favourable terms. Some bankers will tell you that the terms for the \$500m. electricity council loan are in line with the best obtainable in the market at present.

The Electricity Council loan has a 5½ year bullet maturity and a spread of 1½ per cent.—that is the interest rate is 1½ per cent. above the London interbank offer rate (currently running at around 6 per cent. for six months).

It is argued that the spread may well have been lower had the Electricity Council agreed to amortise the loan earlier in its life.

Oil output

Bankers take the view, too, that the latest good news about British oil output can only have very favourable implications for the U.K.'s credit rating. One foreign banker said yesterday that he "just couldn't believe" that there had not been a very favourable foreign exchange market response to the North Sea oil news, while another commented that he would be only too happy to have an opportunity to participate in new U.K. loans.

The Eurocurrency market has grown at a phenomenal rate since 1969, when one calculation put the total size of the market at \$44bn. By 1972, its net size (that is excluding double counting) had reached some \$110bn., according to figures compiled by Morgan Guaranty Trust Co., and by mid-1976 it had rea[ched] \$270bn.

In the first nine months of [this] year, publicised Euro-curr[ency] bank credits were estimate[d by] Morgan Guaranty at \$26[...] with the main borrowers b[eing] Brazil, Mexico and Spain. [Last] week, Venezuela signed a [...] to borrow \$1bn. over 7 yea[rs at] a spread of 1½ per cent. Alth[ough] on the face of it these t[erms] look better than those avail[able] to the Electricity Council, [...] pointed out that this loan i[s re]portedly refinancing rather [than] new money, its average lif[e is] 4½ years (as against 5½ years [for] the Electricity Council).

There is little doubt then [that] the U.K. will be able to bo[rrow] heavily in the Euromarkets [next] year on favourable terms. [But] while such borrowing help[s to] finance the balance of paym[ents] deficit on current account, [it is] not a long term solution, [nor] does it help the Governmen[t] finance the budget deficit.

Britain's \$3.2bn. borro[wing] this year is not high by [...] standards. In 1973, the [U.K.] borrowed \$3.4bn. in publi[cised] Eurocurrency credits, accor[ding] to World Bank figures, risin[g to] \$5.7bn. in 1974. Last year, [how]ever, the amount was only \$[...]

Big jump in Ekofisk earnings boosts Norsk Hydro's profits

BY PAULINE CLARK AND RHYS DAVID

INCOME from oil produced in Norway's Ekofisk field last year helped to boost profits at Norsk Hydro, compensating for poor results in other sectors, including aluminium and fertilisers.

Oil which accounted for less than 20 per cent. of total sales contributed more than one third of total income and is expected to make a further major contribution to the group, Norway's main industrial concern, this year. Production last year at 800,000 tonnes was about 2½ times up on the previous year and, according to Mr. Johan Holte, the managing director, speaking in London yesterday, should be up as much as 50 per cent. in 1976-77.

The company is also pleased with progress made as a result of good weather conditions this summer in bringing the Frigg gas field into production and is hoping to be obtaining gas from the field by the end of next year. When the two pipelines currently being laid from the field are fully in operation they will be capable of delivering around 16bn. cubic metres per year of gas. Market conditions for most products with the exception of fertilisers have improved since the summer, Mr. Holte said, and the company is expecting improved results this year compared with 1975-76.

Mr. Holte also revealed that Norsk Hydro is to go ahead with expansion of its aluminium operations — a loss-making area last year. The company is to expand its plant at Karmoey in Norway and has applied to the authorities for an allocation of part of the electric power necessary to suport an extra 75,000 tonnes per year production capacity. Another plan to build an aluminium plant next to a fertiliser plant Glomfjord is being considered but will have to wait for the development of hydro-electric power in the area. In addition discussions are continuing over a possible plant in Iceland.

The company is also expecting to become a much more significant producer of petrochemicals within the next few years but is concerned at delays in obtaining raw material supplies from Britain.

A plant being built by Phillips on Teesside which was to supply ethane and propane for a 300,000 tonnes Norsk Hydro ethylene plant due to be completed some time next year, is not now expected to be ready on time. As a result Norsk will have to cover its shortfall by buying supplies elsewhere.

Mr. Holte revealed that delays incurred in the development of the proposed Scanitro nitrogen complex in Scotland, may also cause this plant to be downgraded in the company's list of priorities.

As reported previously, Norsk Hydro's pre-tax profits last year amounted to N.Kr.499m. but without the inclusion of some N.Kr.300m. paid by the Norwegian state for 50 per cent. of the group's Mongstad refinery the figure was around 12½ per cent. lower on the year. Sales increased by 15 per cent. to N.Kr.4.75bn.

The group estimates that the development of the Frigg field will cost N.Kr.3bn. while its share of petrochemical developments at Bamble in Norway are expected to amount to N.Kr.2.3bn. By the end of July this year the Frigg investment amounted to about N.Kr.1.5bn., the Bamble plants to N.Kr.900m., and total long term borrowings had risen from about N.Kr.1.7bn. in 1974-75 to nearly N.Kr.4bn.—against shareholders funds of N.Kr.2.3bn.

Boost from overseas sales for Honda

TOKYO, Oct. 1[3]

HONDA MOTOR announ[ced] profit after tax of Y7.06[...] (Y5.69bn.) for the half-y[ear] ended August 31.

Gross sales Y332.7[...] (Y273.68bn.). Dividend Y[...] (same).

A spokesman for Honda s[aid] net profit and net sales [in]creased due to a sharp [rise] in exports of passenger car[s].

He said exports of fo[ur-]wheeled vehicles rose [to] 155,000 units from 36,000 [a] year ago, and domestic sa[les] rose to 126,000 from 122,00[0].

He said sales of motor-cyc[les] including exports, also rose [to] 1,004,000 units from 308,000 [a] year ago.

Sales of four-wheel vehicles in the second half w[ill] increase further to 300,0[00] units, he added, but those [of] motor-cycles will decli[ne] slightly to 950,000 units due [to] a seasonal decline in dema[nd] on the home market.

As a result, Honda expe[cts] to report net profit of Y8[...] on net sales of Y346bn. for t[he] second half, he said.

Reuter

CCA basis set for Australian companies

By Michael Lafferty

AUSTRALIAN companies w[ill] be required to adopt curre[nt] cost accounting (CCA) fro[m] July 1978, according to a pr[o]visional accounting standa[rd] issued by the country['s] accountancy bodies yesterda[y].

Indeed the accountan[cy bodies] recommend that CCA shou[ld] be used for the preparation [of] accounts from July 1977 as [a] supplement to financial stat[e]ments prepared on the histor[ic] cost basis.

This puts Australia firmly [in] the forefront of the impleme[n]tation of current cost accoun[t]ing throughout the world, a[nd] it comes at a time when th[e] U.K. accountancy profession [is] divided over the question [of] monetary items. The U.[K.] Accounting Standards Co[m]mittee will publish its CC[A] proposals on November 30.

SKF and Uddeholm feasibility study

BY JOHN WALKER STOCKHOLM, Oct. 13.

TWO OF Sweden's major steel producers — SKF and Uddeholm —are to make a feasibility study on whether the two concerns can establish a joint company for the manufacture of steel strip, which at present is being manufactured by both. A report by the Ironmasters' Association into the structure of special steel production in Sweden forms the basis for the study.

A number of Swedish steel producers during the past decade have pooled some of their special steel production to meet competition on world markets. In 1973 Bofors and Uddeholm negotiated a long-term agreement for both the manufacture and sales co-operation in certain steel sectors of the two companies, notably bar steel used in the manufacture of tool and structural steel.

The profitability in the production of special steel strip is not good, reports SKF, and the proposed study will outline the possibility of combining SKF and Uddeholm strip production while retaining present manufacturing facilities. Currently SKF special steel is produced at two of its factories and at two plants owned by Uddeholm. The product is also manufactured at the SKF German subsidiary J. N. Eberle in Augsburg.

The new jointly-owned company could have considerable advantages and cost savings by restructuring production which would eliminate duplication. This in turn would mean that further advantages would be made as some capital investments could be postponed for a few years.

Reconstruction by glassmakers

STOCKHOLM, Oct. 13.

TALKS among three large Scandinavian glass manufacturereres to plan a tie-up are in their final stages, an official of one of the concerns said on Wednesday.

Owners of the three companies —Emmaboda Glass Works, Scanglas and Drammens Glass Works—have agreed to form a holding company to be based in Denmark under which the reconstruction of the companies would be directed.

Under the agreement the French glass manufacturer St. Gobain, which owns Emmaboda and a majority share of Drammens, would be the majority shareholder in the holding company. The Swedish Granges Group, which owns Scanglas, would be the second largest shareholder. The largest shareholder would be Christiania Glass of Norway, which owns a minority share of Drammens Glass Works.

The negotiations began last June because of overcapacity in the Scandinavian market since the British-owned Pilkington company opened its big floating glass plant earlier this year. According to industrial sources the current manufacturing capacity is twice the demand.

The holding company, which will have a dozen employees, will co-ordinate the reconstruction of the three companies, which have a total of 1,700 employees.

AP-DJ

INTERNATIONAL FINANCIAL AND COMPANY NEWS

STOCK MARKET ROUND-UP

Wall Street blues

BY STEWART FLEMING AND JAY PALMER NEW YORK, Oct. 13.

REPUBLICAN Wall Street financiers gave President Ford the sort of welcome on Tuesday night that must have had Jimmy Carter chuckling. On the day the President arrived in New York City to hold a $1,000-a-plate fund-raising dinner for his re-election campaign, Wall Street share prices plunged yet another eight points to bring the bell-wether Dow Jones average of 30 blue chip shares down to nearly 930.

The change in Wall Street outlook has come about suddenly. After more than two years of uninterrupted hibernation, Wall Street's bears are now on the rampage. Over the last 11 daily trading sessions, the DJ Index has plummeted more than 80 points and some still fear that the worst is yet to come.

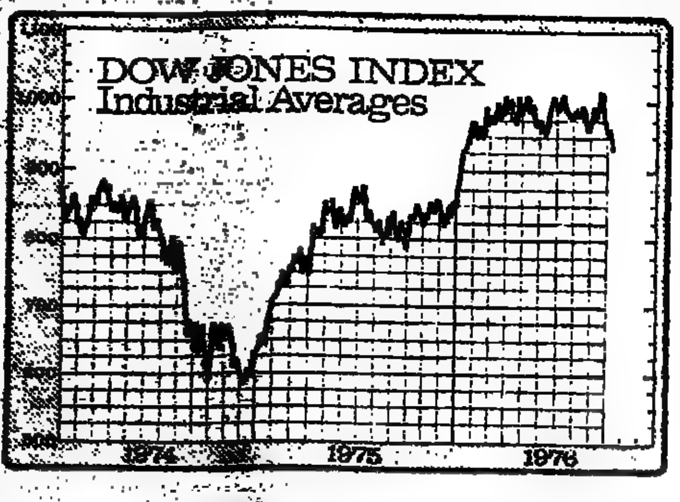
Abrupt decline

Both the timing and the extent of this abrupt decline comes as a surprise to all but the most pessimistic of pundits. Although the market has failed on several occasions this year to break through and stay above the DJ's psychological 1,000 barrier, it could look back on a bull-market that started a matter of months after President Ford took over the White House in 1974. It always seemed to be just a matter of time before the third leg of the bull market carried the DJ through its all-time peak of 1,051.70.

So what has changed? The most obvious reason for the current slide is the new bout of economic jitters over the extent and impact of the "pause" in the national economic recovery. The drop in prices began the day the Government released its August leading economic indicator—the composite index of those economic statistics which are said to forecast economic trends. This showed an ominous 1.5 per cent. drop, the largest decline in 18 months.

But, this was not the only bearish factor—investors are also concerned over the jump in September wholesale prices, fresh talk of a huge OPEC oil rise and the sterling crisis. It is also evident that Wall Street remains very nervous about the possible impact of a Mr. Carter victory in the November Presidential election and a subsequent "spendthrift" Democratic Administration next year.

The current slide in prices, in fact, not only dates back to the worst of the economic news but also to a point where many argue that the President's re-election campaign began to falter. Over the last couple of weeks Mr. Ford, who as a known incumbent Republican remains the favourite choice for President of investors, has suffered



from the Butz anti-black comments, the investigation into his finances, his golf games at corporate expenses and his second best showing during the most recent debate when he made the Eastern Europe gaff regarding Soviet domination.

But despite Mr. Ford's newly seen vulnerability, all these factors really seem to be just sideshows to the main event—the apparent slowdown in the pace of the economic expansion and new worries that a recession might be on the verge of arriving. The irony of this is profound. Throughout most of this year Wall Street share prices have refused to do anything but move sideways, despite a stream of generally optimistic news regarding corporate profits growth (up over 40 per cent. in the first quarter and 30 per cent. in the second three months) and relatively favourable labour wage settlements.

Its justification for this pedantic progress centred on concern that the economic recovery might be "so strong" as to spark off a new wave of debilitating inflation. Now the market has been brought to its knees by just the news of an economic slowdown that it was once eager to hear.

The point is, as Mr. Garry Helms, portfolio strategist at the institutional brokerage house of L. F. Rothschild notes, that Wall Street—while protesting about the strength of the economy—has adapted to it. The leading sectors and individual companies during the last 15 months to two years have been those in the basic industries, like steel, paper and aluminium, which stand to be prime beneficiaries of any strong and sustained economic recovery.

However, the prospects for these companies no longer look nearly so good. In the light of the lower economic growth scenario they stand to be hurt by both price cutting and generally lower volume demand for their goods. Since these companies, which make up a good proportion of those blue chips represented in the Dow Jones average, have long outperformed the rest of the market, they were—and still are—vulnerable to re-adjustment.

Over the last 10 days, these once favourite companies have fallen heavily, bringing the Dow Jones Index down much more sharply than any of Wall Street's other more widely based and perhaps more truely representative indices. Market fears have proved contagious and other sectors have also lost ground but not by nearly as much. "This drop is just a temporary reshuffle of priorities." Mr Helms stresses, a wholesome re-evaluation and adjustment to the reality of a more moderate economic expansion."

"Just as glamour stocks and the one-product boom companies fell out of favour in 1971," Mr. Helms said "the leaders have now stumbled. The institutions which dominate market trading volume and total share ownership are now switching their investments. Once this is concluded, prices will rise again. The mutual funds, the best insight to institution's investment patterns as a whole, are now 5 per cent. cash liquid and funds are available to fuel a new upturn."

Dr. Harold Erlich, senior investment councillor at Bernstein Macaulay, agrees with the basic theses—although he personally argues that Mr. Ford's dimming election prospects can be blamed for a good deal of worsening investment sentiment.

He argues that the current share price decline in basic industry's shares must be harsh to eliminate their currently unjustified premium.

Barrier

The possible extent of this share price slide is not clear. But, it is worth noting that pundits who only a couple of days ago were forecasting a very speedy recovery back to the DJ's 1,000 level are now adopting a more cautious attitude.

Unlike a couple of weeks ago, when Wall Street boomed up to a new 1976 high of very nearly 1,020 on news of a Federal Reserve easing of credit, yesterday saw the current pessimism swamp the news of a further relaxation in monetary policy.

Historically the 1,000 point of the Dow Jones Index has been a very strong barrier to the upward trend in prices. To all intents and purposes it has proved the high point of three bull markets—1965, 1968 and 1972.

So far 1976 has not broken this precedent although it does have going for it a tradition that in presidential election years Wall Street usually is higher in December than in the preceding July.

Union Corp. bid sanction

BY RICHARD ROLFE JOHANNESBURG, Oct. 13.

THE SOUTH African Supreme Court has duly sanctioned the Union Corporation bid to acquire Geduld Investments by means of a scheme of arrangement, thus ratifying the approval for the scheme conferred earlier by shareholders of Geduld. Out of Geduld's 4.3m. shares in issue, Union Corporation's 1m. were ineligible to vote. In total, 1.7m. of the balance were cast in favour of the scheme and 0.1m. against.

Barclays National Merchant Bank said after the meetings held to approve the scheme that after further excluding the 24 per cent. holding in Geduld by associate UC Investments, which was deemed eligible to vote, the balance of shares were voted 82 per cent. in favour and 18 per cent. against the scheme. Geduld will now be delisted from the Johannesburg and London Stock Exchanges on October 22.

However, feeling has become quite widespread in Johannesburg that the present state both of company law and of rulings by interested bodies like the Stock Exchange is inadequate where schemes of arrangement are defined, particularly in the voting rights of associates in the widest sense. Further pressure to improve regulation seems certain in the aftermath of the Geduld affair.

On target at Frasers

BY OUR OWN CORRESPONDENT JOHANNESBURG, Oct. 13.

RELEASED just 12 days after the September 30 year end, preliminary figures from the retailing group Frasers show a rise in profits in line with the chairman's forecast a year ago. Net profit was up by R1.3m. to R5.9m. and earnings showed an even better improvement from 102c to 135c, just a point ahead of the forecast, and the dividend will be known shortly. The interim, however, has already been hiked from 11c to 14c and from last year's 25c total, around 30c is likely for the year just ended. This would put the shares, at 636c, on a yield of 4.7 per cent.

Frasers has over 200 outlets, mostly relatively small and geared specifically to the African community's needs. It has recently extended into supermarkets, with a large modern store in Mafeking, but its traditional business is in mine stores and wholesaling.

SELECTED EURODOLLAR BOND PRICES

MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Alcan 9½pc 1985	104½	105
Australia 8¾pc 1981	99¼	99¾
Bowater 9½pc 1986	104	104½
Caisse Natl. Auto. 9¾pc '91	100	100½
CNT 9½pc 1985	101	101½
Denmark 8¾pc 1984	97½	98
ECS 9¼pc 1986	102¾	103¼
EIB 8¾pc 1985	98¼	99
Eksp 9¼pc 1985	103½	104
Esso 8pc 1986 Nov.	101¾	102¼
Eurofima 9½pc 1983	102	102½
Grangas 9½pc 1983	103½	104
ISE Canada 9½pc 1986	103½	104½
Massey Ferguson 9¼pc 1981	103¾	104¼
Michelin 9½pc 1988	101¾	102¼
Modo 9½pc 1983	102¼	103
Natl. Westminster 9pc 1986	99½	100¼
Newfoundland 9½pc 1989	100¾	101¼
Norpipe 8½pc 1988	102½	103
Norsk Hydro 9pc 1991	100	100½
Oslo 9pc 1989	101	101½
Prov. Quebec 9pc 1984	102½	103¼
Sandvik 9½pc 1986	103	103½
Prv. Saskatchewan 9¼pc '86	101	101½
SEK 8pc 1982	101½	102
Stand. Oil (Ind.) 9½pc '86	102¾	103¼
Svenska Handels 9½pc 1986	102¼	103¼
Volvo 9½pc 1985	104½	105
NOTES		
Australia 8½pc 1981	100½	101
Bank of Tokyo 8½pc 1981	102½	103
British Gas 9pc 1981	101¾	102¼
Denmark Mt. Bk. 9pc 1983	101½	102
ECS 8½pc 1981	102¾	103¼
EEC 8¾pc 1983	100¾	101¼
Michelin 8½pc 1983	100	100½
Montreal Urban 9¾pc 1981	100½	101½
Nacnl. Financiera 10pc '81	103½	104
Natl. Coal Board 8¾pc 1981	100	100¾
New Brunswk. Prv. 8½pc '83	102½	103½
Seagram 9pc 1983	103¾	104¼

White Weld Securities, London.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '87	81	83
Ashland 5pc 1988	82	84
Beatrice Foods 4¼pc 1992	98½	100½
Beatrice Foods 4½pc 1992	108½	109½
Borden 5pc 1992	99½	101½
Broadway Hale 4½pc 1987	78½	80½
Canon Camera 7¼pc 1989	153 bid	
Carnation 4pc 1987	92	94
Chevron 5pc 1988	111½	113½
Dart 4¾pc 1987	85½	87½
Eastman Kodak 4½pc 1988	101	103
Economic Labs. 4½pc 1987	78½	80½
Fed. Dept. Stores 4½pc '85	100	102
Firestone 5pc 1988	87½	89½
Ford 6pc 1986	95½	97½
Ford 5pc 1988	85½	87½
General Electric 4¼pc 1987	83	85
Gillette 4¾pc 1987	77½	79½
Gould 5pc 1987	96	98
Gulf and Western 5pc 1988	90½	92½
Harris 5pc 1992	91½	93½
Honeywell 6pc 1986	80½	82½
ITT 4½pc 1987	78	80
Komatsu 7½pc 1990	100	102
J. Ray McDermott 4¾pc '87	146½	148½
Mitsubishi Elec. 7¼pc 1991	104	105
Mitsui 7¼pc 1990	102½	104½
J. P. Morgan 4¼pc 1987	108½	110½
Nabisco 5¼pc 1988	92½	94½
Owens Illinois 4¼pc 1987	105½	107½
J. C. Penney 4¼pc 1987	82½	84½
Pioneer 6pc 1987	251 bid	
Raymond 8½pc 1993	104½	105½
Revlon 4½pc 1987	106	108
Reynolds Metals 5pc 1988	87	89
Sperry Rand 4¼pc 1987	96	98
Squibb 4½pc 1987	79½	81½
Texaco 4¾pc 1988	78	80
Toshiba 6½pc 1990	107½	108
Union Carbide 4½pc 1982	105½	107½
Warner Lambert 4½pc 1987	83	85
Warner Lambert 4¾pc 1988	82	84
Xerox 5pc 1988	75	77

Source: Kidder Peabody Securities.

VONTOBEL EUROBOND INDICES

14.5.76=100%

PRICE INDEX	12.10.76	7.10.76	AVERAGE YIELD	12.10.76	7.10.76
DM Bonds	100.74	100.86	DM Bonds	7.915	7.925
HFL-Bonds & Notes	93.79	93.47	HFL-Bonds & Notes	10.062	10.086
U.S.$ Strt. Bonds	103.24	101.31	U.S.$ Strt. Bonds	8.827	8.650

JOHANNESBURG CONSOLIDATED INVESTMENT GROUP

(All companies mentioned are incorporated in the Republic of South Africa)

MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 1976 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER

RANDFONTEIN ESTATES

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

ISSUED CAPITAL: R10,827,186 (Divided into 5,413,593 shares of R2 each, fully paid)

	Quarter ended 30.9.76	Quarter ended 30.6.76	Nine months ended 30.9.76
OPERATING RESULTS			
Ore milled—tons	241,000	232,000	702,000
Gold produced—kilograms	4,459	3,538	11,516
Yield—grams per ton	18.5	16.8	16.4
Total revenue—per ton milled	R58.46	R56.03	R55.67
Working cost—per ton milled	R18.36	R18.37	R17.96
OPERATING PROFIT—PER TON MILLED	R40.10	R39.66	R37.71
FINANCIAL RESULTS (R000s)			
Revenue from gold	13,948	13,104	38,394
Working cost	4,426	4,262	12,611
Working profit	9,522	8,842	25,783
Tribute revenue	14	73	166
Net sundry revenue	127	287	521
OPERATING PROFIT	9,663	9,202	26,470
Net interest receivable	301	297	739
PROFIT	9,964	9,499	27,209
Capital expenditure	7,402	3,270	13,394
Dividend declared	—	5,414	5,414

NOTE: A provision for taxation is not required as the company has an estimated loss for tax purposes.

	Quarter ended 30.9.76	Quarter ended 30.6.76	Nine months ended 30.9.76
DEVELOPMENT			
Advanced—metres	4,512	4,299	12,842
Sampled—metres	1,251	696	2,730
Channel width—centimetres	132	141	143
Ave. value Gold—grams/ton	30.6	36.7	32.5
—centimetre-grams/ton	4,039	5,173	4,648
Ave. value Uranium—kilograms/ton	0.219	0.171	0.192
—centimetres-kilograms/ton	28.91	24.11	27.48

AREA RESULTS FOR QUARTER ENDED 30.9.76

COOKE:	No 1 Shaft	No 2 Shaft	Total
Advanced—metres	3,174	1,338	4,512
Sampled—metres	1,233	18	1,251
Channel width—centimetres	132	100	132
Ave. value Gold—grams/ton	30.6	44.4	30.6
—centimetres-grams/ton	4,039	4,435	4,039
Ave. value Uranium—kilograms/ton	0.214	0.664	0.219
—centimetres-kilograms/ton	28.25	66.40	28.91

NOTE: The values shown in the above tabulation are the actual results of sampling development work on reef. No allowance has been made for modifications which may be necessary when computing ore reserves.

COOKE SECTION

Construction work has commenced on the new gold and uranium recovery plant. Equipping of the No. 3 Main Shaft has started.

RANDFONTEIN SECTION

Re-timbering of the S.D. 32 and 16 Shafts is progressing and work has commenced on the re-furbishing of the Millsite uranium plant.

CAPITAL EXPENDITURE

Net expenditure on mining assets during the quarter amounted to R7,401,996 bringing the total net capital expenditure at 30th September, 1976 to R95,669,106. This total includes expenditure at Cooke Section amounting to R57,328,983. At 30th September, 1976 there were capital commitments amounting to R17,977,202.

For and on behalf of the board,
D. H. STEVENSON }
F. J. L. WELLS } Directors

OTJIHASE

OTJIHASE MINING COMPANY (PROPRIETARY) LIMITED

ISSUED CAPITAL: R5,763,452 (Divided into 5,763,452 shares of R1 each)

	Quarter ended 30.9.76
OPERATING RESULTS	
Ore milled—tons	211,000
Concentrates produced.	
Copper (23.5% Cu.)-tons	14,049
Pyrite (47.2% S)-tons	22,276
Concentrates despatched:	
Copper—tons	14,314
Pyrite—tons	22,798
Development advanced—metres	960.2

PROGRESS REPORT

The mine was deemed for accounting purposes to have commenced production on 1st July, 1976, although it has not yet reached its planned level of production.

During the quarter 2,709 tons of blister copper were sold at prices still to be determined. This blister was smelted from concentrates produced during the trial milling stage when working costs were capitalised. Consequently, preproduction capital expenditure will be adjusted once the sales revenue has been finally determined.

CAPITAL EXPENDITURE

Capital expenditure at 30th June, 1976, including capitalised interest and working costs relating to the trial milling period amounted to R41,870,151. Capital expenditure during the quarter ended 30th September, 1976, amounted to R1,474,961, bringing the total at that date to R43,345,282.

COMMITMENTS

Outstanding commitments on capital account at 30th September, 1976, are estimated at R697,000.

For and on behalf of the board,
R. B. SUTHERLAND }
D. H. STEVENSON } Directors

WESTERN AREAS

WESTERN AREAS GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: R40,306,990 (Divided into 40,306,990 units of stock at R1 each)

	Quarter ended 30.9.76	Quarter ended 30.6.76	Nine months ended 30.9.76
OPERATING RESULTS			
Ore milled—tons	965,000	908,000	2,714,000
Gold produced—kilograms	6,080	5,793	17,357
Yield—grams per ton	6.3	6.4	6.4
Total revenue—per ton milled	R19.92	R22.12	R21.57
Working cost—per ton milled	R16.88	R17.04	R16.96
OPERATING PROFIT—PER TON MILLED	R3.04	R5.08	R4.61
FINANCIAL RESULTS (R000s)			
Revenue from gold	18,697	19,452	57,296
Working cost	16,292	15,441	46,025
Working profit	2,405	4,011	11,271
Sundry revenue	532	591	1,252
OPERATING PROFIT	2,937	4,602	12,523
Net interest receivable	231	279	799
Profit before taxation	3,168	4,881	13,322
Taxation	—	550	2,000
PROFIT	3,168	4,331	11,322
Capital expenditure	1,540	3,249	6,978
Loan levy	—	63	266
Dividend declared	—	3,225	3,225

NOTES:

1. Sundry revenue for this quarter includes an amount of R372,000 being the balance of the loss of revenue insurance claim resulting from the underground fire in February, 1976.
2. A further provision for taxation is not deemed necessary as due to the fall in the gold price received, it is considered that sufficient provision has already been made for the year to date.

	Quarter ended 30.9.76	Quarter ended 30.6.76	Nine months ended 30.9.76
DEVELOPMENT			
Advanced—metres	6,971	6,651	19,446
Sampling results: Sampled—metres	876	1,035	3,474
Channel width—centimetres	148	178	166
Ave. value—grams/ton	8.0	7.9	9.3
—centimetres-grams/ton	1,184	1,406	1,578

SAMPLING RESULTS: INDIVIDUAL REEFS

	Quarter ended 30.9.76 Total All Reefs	Ventersdorp Contact Reef	Elsburg Massive Reefs	Elsburg Individual Reefs	Quarter ended 30.6.76 Total All Reefs	Ventersdorp Contact Reef	Elsburg Massive Reefs	Elsburg Individual Reefs
Sampled—metres	876	48	459	369	1,038	18	486	534
Width—centimetres	148	111	159	139	178	87	172	187
Value—grams/ton	8.0	11.4	7.7	8.2	7.9	6.5	6.2	9.4
Centimetre-grams/ton	1,184	1,265	1,224	1,140	1,406	566	1,066	1,758

The values shown in the tabulation are the actual results of sampling development work on reef. No allowance has been made for modifications which may be necessary when computing ore reserves.

DEVELOPMENT to S.V. 3 SHAFT

Development towards the proposed S.V. 3 shaft was again delayed by the intersection of water-bearing fissures and no progress was made during the quarter. Progress to date in all ends totals 1,709 metres.

EXPLORATION

Exploratory drilling to ascertain the potential of the Middle Elsburg Reefs is at present being carried out from underground. To date two boreholes have been completed in the 41 Haulage West area, with the following results.

Reef	Borehole	Channel width cm.	Gold g/t	Gold cm.g/t	Uranium kg/t	Uranium cm.kg/t
UE1A	1	150	Trace	—	0.35	52.50
	2	90	Trace	—	0.31	27.90
E9E/C	1	125	6.4	800	0.75	93.75
	2	125	1.0	125	0.41	51.25

REDUCTION PLANT EXTENSIONS

During the quarter commissioning of the extensions to the Elsburg Section's reduction plant reached an advanced stage and final commissioning is expected to be completed in the December quarter.

CAPITAL EXPENDITURE

Net expenditure on mining assets during the quarter amounted to R1,540,547, bringing the total net expenditure on capital account at 30th September, 1976 to R219,696,251. At 30th September, 1976 there were capital commitments amounting to R2,522,000.

For and on behalf of the board,
P. A. VON WIELLIGH }
D. H. STEVENSON } Directors

ELSBURG

ELSBURG GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: R30,203,000 (Divided into 30,203,000 units of stock of R1 each)

RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 1976

Stockholders are advised to study the operational results published by Western Areas Gold Mining Company Limited.

	Quarter ended 30.9.76	Quarter ended 30.6.76	Nine months ended 30.9.76
DIVIDEND DECLARED (R000s)	—	1,571	1,571

For and on behalf of the board,
P. A. VON WIELLIGH }
D. H. STEVENSON } Directors

Copies of the above Reports are obtainable from the London Secretaries:—Barnato Brothers Limited, 27 Austin Friars, London EC2N 2EY

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Index rallies 16 on bargain hunting

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Oct. 13.

A STRONG RALLY developed on Wall Street to-day, following bargain hunting in an "oversold" Stock Market.

The Dow Jones Industrial Average recovered 15.95 to 948.30 and the NYSE All Common Index recouped 65 cents to $54.52, while advances outpaced declines by 1,024-to-405. Trading volume further expanded 3.48m. shares to 21.69m.

The raly was also helped by a bullish survey on U.S. consumer confidence and the settlement of the four-week-od strike at Ford Motor.

IBM rose $1⅛ to $272½ on third quarter earnings of $3.90 ($3.32) per share. It said it was not confident it would be able to sustain current quarter-to-quarter earnings growth rates in the remainder of the year.

Warner Communications picked up $2⅞ to $22⅞—its Board has authorised an exchange offer for 2m. of its Common shares.

Interpublic Group of Companies climbed $1½ to $25½, following a quarterly dividend of 40 (30) cents per share.

Eastman Kodak added $⅝ at $86¼, after reporting lower third quarter per share earnings but higher results for the nine months.

Sears, Roebuck improved $1⅞ to $66⅞, Zenith $2⅛ to $27. General Motors $1⅛ to $71½ and Ford $½ to $56½.

But Digital Equipment declined $1 to $131½ and General Dynamics were off $2 at $47.

CBS gave way $1⅞ to $52⅞, although it reported higher earnings.

Honeywell were up $ at $42½, and Teledyne $⅞ at $65½.

THE AMERICAN SE Market Value Index rose 0.27 to 98.23, while advances led declines by 304 to 261.

Houston Oil and Minerals climbed $⅞ to $63⅞ an dKaiser Industries edged up $⅛ to $12⅞, but Imperial Oil "A" dipped $⅛ to $20½.

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
General Motors	362,900	71½	+1½
Amer. Tel. and Tel.	340,800	60⅜	+1½
Dow Chemical	307,500	41½	+½
Warner-Commn.	247,600	22⅞	−2⅞
Texaco	244,100	26⅜	+⅛
Sony	226,900	8⅞	—
Westinghouse Elec.	225,800	17⅞	+⅛
Kresge S.S.	221,000	30⅛	+⅞
U.S. Steel	216,700	48⅞	+1⅞
Citicorp	199,000	30⅞	+⅛

OTHER MARKETS

Canada higher

Canadian Stock Markets also turned upwards in light trading yesterday.

The Industrial Share Index rose 1.22 to 178.67, Base Metals 0.59 to 79.91, Western Oils 0.42 to 200.82, Utilities 0.54 to 144.15. Banks 0.77 to 242.71 and Papers 1.39 to 115.66. Only Golds, off 2.19 at 239.06, moved against the general trend.

Inco advanced $1½ to $31½ and Alcan $1 to $24, but Canadian Tire "A" lost $⅞ to $38⅞.

Cominco moved up $⅛ to $35½, Royal Bank gained $⅛ to $27⅞ and Canadian Pacific firmed $⅛ to $17.

PARIS—Lower but above the worst, attributed to Institutional buying and some bargain-hunting.

Banks, Housings, Electricals, Metals, Oils, Chemicals and Public Works were down.

Foods, Motors and Rubbers were mixed while Stores eased.

U.S. issues were irregular. Germans strengthened, while Dutch and International Oils lost ground. Golds were weak.

BRUSSELS—Market continued to decline in quiet trading with the opening forward market index dipping below 100 for the first time since 1967.

U.K. stocks rose, Germans were steady, while U.S., French issues and Gold Mines fell.

AMSTERDAM — Market eased but was more resistant to downward pressure than in recent days.

Dutch Internationals were steady to slightly firmer, with the exception of Hoogovens which fell Fls.2.4.

Transportations, Industrials and Trading stocks were mixed, while Banks and most Insurances lost ground.

State Loans were narrowly mixed.

GERMANY—Prices stabilised after five consecutive days of heavy losses.

Major Chemicals and major Banks gained around DM1. Motors were unchanged, except for VW, which slipped DM0.80 to DM128.70.

Stores were firm, while Machine Makers and Steels were mixed.

Domestic Public Bonds gained up to 0.20 per cent., and the Bundesbank sold DM34m.-worth of the Bonds.

SWITZERLAND—Mainly lower in active trading.

Juvena Bearer rose following news that British American Cosmetics reached agreement in principle to acquire 51 per cent. of Juvena Holding AG's cosmetics operations.

Insurances were barely steady.

Dollar stocks and Dutch issues were lower, while Germans were steady.

MILAN — Prices lost further ground and the Index hit a new low for the past 18 years. There was massive support by the State Banks and by the Bank of Italy. As their action eased towards the close most issues declined.

COPENHAGEN—Sharply lower in active trading.

OSLO—Banks, Insurances and Industrials all weakened, while Shippings were steadier.

JOHANNESBURG—Gold shares were easier, following generally lower bullion indications. Financial Minings were narrowly mixed.

Coppers were also mixed, while Platinums were slightly easier but off the worst.

Industrials were more active but basically easier.

HONG KONG—Higher in active trading.

Hong Kong Bank moved up 30 cents to $HK18.10, Hong Kong Land 25 cents to $HK6.90. New Hutchison 12½ cents to $HK3.125, World 5 cents to $HK1.49, Wheelock "A" 5 cents to $HK2.325, Jardine 80 cents to $HK16.80, Swire Pacific "A" 30 cents to $HK9.40, Hong Kong Electric 12½ cents to $HK4.375, China Light 90 cents to $HK25.40, Hong Kong Telephone 70 cents to $HK26.0. Hong Kong and Kowloon Wharf 10 cents to $HK16.40 and Hong Kong Dock 10 cents to $HK9.90.

TOKYO—Mixed trend in a volume of 180m. (140m.) shares.

Motor Accessories improved, as did Papers; Electric Machineries, non-Ferrous Metals, Rubbers, and Foods. But Electric Wires were lower, as were Retailers, Securities Houses, Real Estates, Steels, Heavy-Duty Electricals and Shipbuilders.

Sony rose Y40 to 2,570 on its cash dividend of Y20 (Y15) for 1976

Matsushita Kotobuki were up Y70 to 1,920, Nisshin Food Y60 to 1,240, Jujiya Y45 to 437, Nippon Denso, Y40 to 2,800, Matsushita Electric, up Y49 to 1,520, Victor Y36 to 910, Toyota Koki, Y32 to 652, Fujiya Y28 to 358 and Diesel Kiki Y26 to 484.

But Nippon TV Broadcasting lost Y50 to 3,600, Kokusai Denshin Denwa Y40 to 2,360, Alps Y30 to 1,240, Clarion Y30 to 1,240, Dai Ei Y30 to 1,130, Toho Y30 to 3,050, Kyushu Matsushita Y25 to 735, Nippon Telecommunications Y20 to 1,560 and TDK Y20 to 1,780.

AUSTRALIA—Markets fell to a new year's low, although the decline was less steep than in recent sessions, with several leading issues closing firmer.

BHP picked up 4 cents to $A7.10 on a 4.9 per cent. steel price rise plus some professional bargain hunting.

Sugars were still under some pressure. Bundaberg lost 15 cents to $A3.70.

Developers and Building Contractors and also Brewers weakened.

Mount Isa shed 4 cents to $A2.02, Peko Wallsend fell 30 cents to $A4.60 and Mount Lyall were down 4 cents to 41 cents.

BH South firmed 3 cents to $A1.43 and Kathleen gained 10 cents to $A1.30. But MIM lost 3 cents to $A2.02.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.

◆ DM50 denom. unless otherwise stated.

Indices

NEW YORK—DOW JONES

	Oct. 13	Oct. 12	Oct. 11	Oct. 8	Oct. 7	Oct. 6	1976 High	1976 Low	Since compilation High	Since compilation Low
Industrial	948.30	932.35	940.02	952.38	966.06	960.60	1014.79 (21/9)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)

N.Y.S.E. ALL COMMON

Oct. 13	Oct. 12	Oct. 11	Oct. 8	1976 High	1976 Low
54.52	53.87	54.52	54.85	57.51 (21/9/76)	57.08 (2/1/76)

Rises and Falls	Oct. 13
Issues Traded—1,872	Up—1024
Down—405	Same—443
New Highs 30	New Lows 22

OVERSEAS SHARE INFORMATION

NEW YORK

CANADA

GERMANY ◆

MILAN

BRUSSELS/LUXEMBOURG

PARIS

SWITZERLAND®

AMSTERDAM

COPENHAGEN

VIENNA

AUSTRALIA

TOKYO †

STOCKHOLM

OSLO

BRAZIL

JOHANNESBURG

SPAIN ▼

Franc & lira fall

The French franc and Italian lira both lost ground in the foreign exchange market yesterday, while sterling closed slightly firmer against the dollar.

Fears about trade union opposition to recent economic measures announced by the Government and concern that the rate of inflation is higher than many of France's trading competitors is probably behind the franc's fall. The lira was also depressed by economic considerations and may reflect the comparison between the political situation in Italy and France and the strength of the Communist Party in both countries.

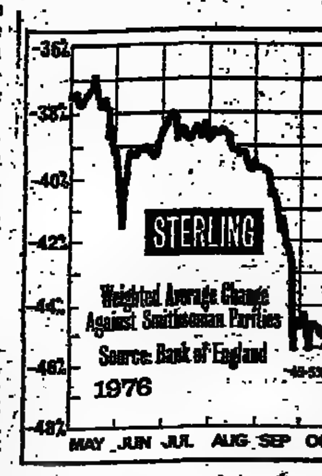
The authorities in France and Italy may have intervened to steady the decline of their respective currencies from time to time. The franc closed at Frs.5.0170 in terms of the dollar, compared with Frs.4.9925 previously. The lira touched a worst level of L848½ against the dollar, and finished at L842, against L839.80 on Tuesday.

Sterling remained quiet in general, and the market may be awaiting publication of the September trade figures this afternoon. The pound closed at $1.6540-1.6550, a rise of 15 points on the day, after touching a low point of $1.6505-1.6515 and a best level of $1.6560-1.6570.

The pound's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, widened to 45.1 per cent. from 45 per cent., after standing at 45.2 per cent. at noon and 45 per cent. in early dealings.

The dollar's depreciation since the Washington Agreement, as calculated by Morgan Guaranty of New York, widened to 2.76 per cent. from 2.72 per cent.

Gold closed $¼ higher at $114¾-$115¼.



GOLD MARKET

SPECIAL DRAWING RIGHTS RATES

FOREIGN EXCHANGES

EXCHANGE CROSS-RATES

Oct. 13	Frankfurt	New York	Paris	Brussels
Fr'nkfu't	—	2.4265-4305	48.31-35	[illegible]
N. York	41.14-16	—	[illegible]	[illegible]
Paris	[illegible]	5.0162-0268	—	[illegible]
Brussels	[illegible]	[illegible]	[illegible]	—
London	[illegible]	1.654-655	[illegible]	[illegible]
Am'rd'm	[illegible]	[illegible]	[illegible]	[illegible]
Zurich	100.48-57	2.4417-27	[illegible]	[illegible]

U.S.$ in Montreal U.S. $=97.26-28 Canadian cents.
Canadian $ in New York. C $=102.80-82 U.S. cents.
Sterling in Milan 1394.0-95.

EURO-CURRENCY INTEREST RATES*

FORWARD RATES

New technical director for Glaxo

Dr. A. H. Raper has been elected to the Board of GLAXO HOLDINGS as successor-designate to Mr. W. J. Hurran, technical director, who retires from the Board on December 13.

*

Mr. R. E. Holland, general manager and a director of Pearl Assurance, has been elected chairman of the INDUSTRIAL LIFE OFFICES ASSOCIATION, in succession to Mr. D. R. Berry, managing director and chief executive of Refuge Assurance. Mr. Nevil Carroll, general manager and a director of Britannic Assurance succeeds Mr. Holland as the Association's vice-chairman. Mr. H. L. E. Browne, managing director of the London and Manchester Assurance, has been re-elected treasurer.

*

Sir Campbell Adamson has been appointed a director of the ABBEY NATIONAL BUILDING SOCIETY.

*

Mr. R. Fearn is to be deputy secretary of PEARL ASSURANCE from November 1. Mr. F. W. Brown will be assistant secretary and chief accountant from that date and Mr. D. J. Underwood will become assistant chief accountant.

*

Mr. Michael Rawlence, a director of London Trust, has been appointed a director of ALLIED INVESTMENTS.

*

The MINISTRY OF DEFENCE has made the following appointments to take effect in January. Lieutenant-General Sir Patrick Howard-Dobson, Military Secretary, to be Quarter-Master-General in the rank of general in succession to General Sir William Jackson, who is to retire. Major-General P. Blunt, lately Transport Officer-in-Chief (Army) to be Assistant Chief of Personnel and Logistics, Ministry of Defence, in place of Rear Admiral F. W. Hearn, who is to retire. Major-General R. L. C. Dixon, lately Director Army Air Corps, to be Chief of Staff, HQ Allied Forces, Northern Europe, succeeding Major-General P. Hudson.

*

New chairman of the SOUTH OF SCOTLAND ELECTRICITY BOARD is to be Mr. Roy Berridge, the present deputy chairman. He succeeds Mr. Francis Tombs, who becomes Electricity Council chairman on April 1 next year. Mr. Berridge will also succeed Mr Tombs as a member of the North of Scotland Hydro Electric Board.

*

Four executives of SHELDON JONES have been appointed associate directors. They are Mr. David Neill, general manager of Bruton Mill: Mr. Eddie Pagram, southern area sales manager; Mr. Alan MacLeod, raw materials buyers; and Mr. Keith Patey, management accountant.

*

Mr. A. J. McCann, general operating manager, BLACK AND DECKER, has been appointed a director.

*

Mr. Hilton Pierpoint has been appointed director of marketing (northern division) at HUNTING LAMBERT. Mr. John Wilson has become marketing manager (business travel).

*

Mr. Alastair Dow has been appointed to the Board of UNITED RUM MERCHANTS, replacing Mr. Syd Thompson, who is returning to Canada. Mr. Dow continues as regional director U.K. of Hiram Walker International.

Savoy Hotel Board posts

Sir Antony Part and Mr. Giles Shepard have been elected to the Board of the SAVOY HOTEL. Sir Antony Hornby, vice-chairman, is to retire from the Board at the end of the year and will then become president.

*

Mr. Montague Tubb has become director and general manager of the automotive component division of GKN DISTRIBUTORS and Mr. John Huband, director and general manager of the tool and hardware division.

*

Mr. Gordon Pocock has become director of external telecommunications executive at the POST OFFICE. He succeeds Mr. Donald Wray who has been made Director of Telecommunications Development, following the retirement of Mr. M. B. Williams.

B. Blackwell to be chairman of Westland Helicopters

Mr. B. D. Blackwell, chief executive of Westland Aircraft, has been appointed to the additional position of chairman of WESTLAND HELICOPTERS, the group's principal subsidiary. Sir David Collins, chairman of Westland Aircraft, remains a director of Westland Helicopters.

*

Following his appointment as general managing director, Rockwell International, Automotive Operations—Europe, Mr. John T. Pierce has relinquished the managing directorship of RUBERY OWEN-ROCKWELL, but retains his directorship representing the Rockwell International interests. Mr. Eric R. Hart has become managing director of Rubery Owen-Rockwell.

*

Mr. Ken Murray, managing director of Silentnight Ltd., and Mr. Stephen Hyde, managing director of the upholstery division, have been appointed to the Board of SILENTNIGHT HOLDINGS.

*

Mr. R. M. Hall has joined the METTOY COMPANY as marketing director and sales director (U.K.).

*

Sir David Stephens has been appointed chairman of the REDUNDANT CHURCHES FUND in succession to Mr. Ivor Bulmer-Thomas, on the expiry of his term of office in December.

*

Mr. I. G. Falconer has been appointed finance director of EDMUNDON ELECTRICAL, part of the Charterhouse Group.

*

Mr. John Kidston has been appointed sales director of STANDARD ENGINEERING. He was previously with Mobbs Miller.

*

Mr. James Davies has become financial director and Miss Shila King, director of motorsports, of RANK LEISURE SERVICES.

General Mining Group

GOLD MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 30 SEPTEMBER 1976

All companies mentioned are incorporated in the Republic of South Africa

BUFFELSFONTEIN GOLD MINING COMPANY LIMITED

Issued Capital—11,000,000 shares of R1 each.

Operating results		Quarter ended 30 Sept. 1976	30 June 1976
Gold			
Ore milled	(t)	780,000	755,000
Ore milled by Stilfontein	(t)	35,000	27,000
Ore milled—Total	(t)	815,000	782,000
Gold produced	(kg)	6,919·657	6,946·518
Gold produced by Stilfontein	(kg)	319·416	248·820
Gold produced—Total	(kg)	7,239·073	7,195·338
Yield	(g/t)	8·87	9·20
Yield by Stilfontein	(g/t)	9·13	9·22
Yield—Total	(g/t)	8·88	9·20
Revenue per ton milled	(R)	28·09	31·69
Cost per ton milled	(R)	22·38	22·92
Profit per ton milled	(R)	5·71	8·77
Uranium			
Pulp treated	(t)	771,000	770,000
Oxide produced	(kg)	150,500	133,150
Yield per ton	(kg/t)	0·195	0·173
Financial (R'000)			
Working revenue	(gold)	22,895	24,783
Working costs	(gold)	18,236	17,920
Working profit	(gold)	4,659	6,863
Profit on uranium production		Cr. 194	1,298
Profit on sale of pyrite		94	209
Profit on sale of acid		21	24
Profit at mine		4,580	8,394
Net additional revenue		320	408
Less interest		2	3
Profit before taxation and State's share of profit		4,898	8,799
Taxation and State's share of profit		712	4,633
Profit after taxation and State's share of profit		4,186	4,166
Capital expenditure:			
Gold		2,100	2,182
Uranium and acid		115	258
Trade investments		—	Cr. 15
Dividends: declared		—	5,500
cents per share		—	50
Loan repayments		—	—
Loan balance outstanding		29	30
Loan Levies		1,626	114
Development			
Advanced	(m)	17,115	14,489
Sampling results:			
Sampled	(m)	1,389	1,107
Channel width	(cm)	113	112
Average value:			
Gold	(cm.g/t)	1,719	1,647
Uranium	(cm.kg/t)	48·56	54·65
Payable:			
Metres	(m)	869	654
Percentage		48·2	59·1
Channel width	(cm)	99	106
Value: gold	(g/t)	26·99	20·82
	(cm.g/t)	2,668	2,209
Value: uranium	(kg/t)	0·609	0·641
	(cm.kg/t)	60·20	67·98

Development Summary

for the three months ended 30 Sept. 1976

Area	Payable metres	Per-centage payable	Channel width cm	Gold g/t	Gold cm.g/t	Uranium kg/t	Uranium cm.kg/t
Pioneer Shaft							
Pioneer Secondary	156	43·0	112·2	25·03	2,808	0·586	65·72
Lucas Block	114	47·5	93·1	18·69	1,740	0·592	55·11
Southern Shaft	309	61·3	93·0	31·09	2,891	0·646	60·04
Orangia Shaft	48	29·1	91·6	14·41	1,883	0·408	37·38
South Vaal	42	35·9	116·4	32·70	3,805	0·694	80·82
Totals	669	48·2	98·9	26·99	2,668	0·609	60·20

REMARKS

Production (Gold)

The tons milled increased by 33,000 tons to a total of 815,000 tons milled which included 35,000 tons milled at Stilfontein. In addition, a total of 27,000 tons was added to the Eastern Shaft surface stockpile which now totals 87,000 tons.

Although an additional 44 kilograms were produced during the quarter, the revenue was R1,888,000 lower due to a lower gold price.

Production (Uranium)

The output increased as a result of an improvement in recovery grade, but as no sales were made during the quarter, the revenue was reduced by R1,298,000.

Working Costs

Total expenditure was higher than the previous quarter due to the higher level of underground production, but unit costs were reduced by 54 cents to R22.38 per ton milled.

Capital

The main items of capital expenditure were on underground refrigeration, access development headings into the Eastern Area, preparatory work at the new Strathmore shaft site and improvements to the reduction and uranium plants.

There are commitments for capital expenditure totalling R2,264,000; the estimated total capital expenditure for the remainder of the current financial year is R3,742,000.

On behalf of the board,
J. C. FRITZ
W. B. COETZER *Directors*

STILFONTEIN GOLD MINING COMPANY LIMITED

Issued Capital—13,062,920 shares of 50 cents each.

Operating results		Quarter ended 30 Sept. 1976	30 June 1976	9 months to 30 Sept. 1976
Stilfontein Ore milled	(t)	507,000	473,000	1,413,000
Gold produced—Stilfontein ore	(kg)	4,355·445	4,101·064	12,084·394
Yield—Stilfontein ore	(g/t)	8·59	8·67	8·55
Revenue per ton milled	(R)	26·74	29·45	28·61
Cost per ton milled	(R)	27·01	27·48	27·48
Profit per ton milled	(R)	Cr. 0·27	1·97	1·13
Financial (R'000)				
Working revenue	(gold)	13,558	13,932	40,422
Working costs	(gold)	13,693	13,000	38,826
Working profit	(gold)	Cr. 135	932	1,596
State aid		982	479	2,057
Profit on sale of acid		20	20	53
Profit at mine		867	1,431	3,706
Net additional revenue		838	120	1,080
Less interest		37	39	115
Profit before taxation and State's share of profit		1,668	1,512	4,671
Taxation and State's share of profit		333	33	415
Profit after taxation and State's share of profit		1,335	1,479	4,256
Capital expenditure		380	519	1,556
Trade investments		—	Cr. 10	Cr.37
Dividends: declared		—	1,437	1,437
cents per share		—	11	11
Loan repayments		—	108	108
Loan balance outstanding		1,324	1,324	1,324
Loan Levies		8	22	38
Development				
Advanced	(m)	4,977	4,808	13,400
Sampling results:				
Samples	(m)	1,086	1,107	3,189
Channel width	(cm)	18	17	17
Average value	(cm.g/t)	1,272	1,160	1,248
Payable:				
Metres	(m)	750	621	2,025
Percentage		69·1	56·1	63·5
Channel width	(cm)	16	16	16
Value	(g/t)	106·4	109·5	109·6
	(cm.g/t)	1,670	1,719	1,728

Development Summary

for the three months ended 30 September 1976

Area	Payable metres	Per-centage payable	Channel width cm	Value g/t	Value cm.g/t
Scott Shaft	321	71·8	20	85·0	1,735
E.S.V. Shaft	429	79·9	12	134·0	1,621
Totals	750	69·1	16	106·4	1,670

REMARKS

Production

The increase of 34,000 tons to 507,000 tons milled at a slightly lower recovery grade resulted in an improvement of 254 kilograms of gold recovered for the quarter, but due to the lower gold price received, the revenue was R374,000 below the previous quarter.

Working Costs

Despite an increase of R693,000 in total expenditure which was related to the higher production, unit costs were reduced by 47 cents to R27.01 per ton milled.

Capital Expenditure

The main items of capital expenditure were in respect of underground refrigeration and development headings in the Eastern Zone of the mine. A number of projects have been deferred due to the present low gold price.

There are commitments for capital expenditure totalling R323,000; the estimated total capital expenditure for the remainder of the current financial year is R1,348,000.

On behalf of the board
J. C. FRITZ
D. G. MALAN *Directors*

WEST RAND CONSOLIDATED MINES LIMITED

Issued Capital —4,250,000 shares of R1 each.
—25,000 deferred shares of R2 each.

Operating results		Quarter ended 30 Sept. 1976	30 June 1976	9 months to 30 Sept. 1976
Gold Section				
Ore milled ex underground	(t)	252,362	262,226	804,599
Ore milled ex surface dumps	(t)	18,638	36,342	116,865
Total ore milled	(t)	271,000	298,568	921,464
Gold produced	(kg)	1,070·991	998·284	3,316·723
Yield	(g/t)	3·95	3·34	3·60
Uranium Section				
Ore to Stockpile	(t)	—	—	—
Gold				
Ore milled ex underground	(t)	176,000	160,932	436,536
Ore milled ex stockpile	(t)	—	—	—
Total ore milled	(t)	176,000	160,932	436,536
Gold produced	(kg)	208·009	224·716	617·716
Yield	(g/t)	1·18	1·40	1·42
Uranium				
Tons treated	(t)	178,480	161,570	430,350
Uranium produced	(kg)	43,065	32,959	91,104
Yield	(kg/t)	0·241	0·204	0·212
Financial (R'000)				
Working revenue	(gold)	4,023	4,396	13,594
Net revenue	(uranium)	1,214	2,336	3,480
Net revenue	(acid & pyrite)	Cr. 48	55	2
Total revenue		5,189	6,787	17,076
*Working costs:				
Underground operations		8,095	7,451	22,138
Per ton milled	(R/ton)	18·90	17·61	17·84
Surface		110	193	619
Per ton milled	(R/ton)	5·83	5·31	5·30
Total working costs		8,205	7,644	22,757
Total per ton milled	(R/ton)	18·36	16·64	16·76
Working loss		3,016	857	5,681
State aid		2,173	1,186	4,801
Net additional revenue		52	83	212
Profit/(loss) before taxation		Cr. 791	412	Cr. 668
Taxation		—	Cr. 53	—
Profit/(loss) after taxation		Cr. 791	465	Cr. 668

**Excludes uranium treatment costs*

Capital expenditure		182	66	336
Dividends declared:				
Ordinary: Amount		—	212	212
Cents per share		—	5	5
Deferred: Amount		—	71	71
Rand per share		—	2·83	2·83
Development				
Advanced	(m)	2,640	2,372	7,563
Gold Section				
Advanced	(m)	1,636	1,728	5,408
Sampling results:				
Sampled	(m)	446	453	1,454
Channel width	(cm)	81	80	76
Average value	(cm.g/t)	1,149	938	1,005
Payable:				
Metres	(m)	60	116	321
Percentage		13·5	25·5	22·1
Channel width	(cm)	68	83	88
Value	(g/t)	52·16	23·66	27·52
	(cm.g/t)	3,522	1,975	2,382
Uranium Section				
Advanced	(m)	1,004	644	2,157
Sampling results:				
Sampled	(m)	248	159	574
Channel width	(cm)	55	63	64
Average value:				
Uranium	(cm.kg/t)	40·97	35·07	33·31
Gold	(cm./gt)	440	608	436
Payable:				
Metres	(m)	40	30	92
Percentage		16·4	18·9	15·9
Channel width	(cm)	68	50	55
Value: uranium	(kg/t)	1·452	0·893	1·145
	(cm.kg/t)	98·65	44·56	62·98
gold	(g/t)	26·89	36·37	29·58
	(cm.g/t)	1,826	1,815	1,627

Development Summary

for the three months ended 30 September 1976

GOLD SECTION Reef	Payable metres	Per-centage payable	Channel width cm	Value g/t	Value cm.g/t
Main Reef	10	100·0	105	24·87	2,611
Kimberley Reef	50	11·4	60	62·36	3,715
Totals	60	13·5	68	52·16	3,522

URANIUM SECTION Reef	Payable metres	Per-centage payable	Channel width cm	Uranium kg/t	Uranium cm.kg/t	Gold g/t	Gold cm.g/t
White Reef	30	21·7	63	1,172	73·60	37·83	2,376
Upper Monarch Reef Zone 2	10	29·2	83	2,062	170·22	3·12	257
Totals	40	16·4	68	1·452	98·65	26·89	1,826

REMARKS

Production (Gold)

Despite an increase of 56 kilograms of gold produced, the revenue was R273,000 less due to the lower price of gold received.

Production (Uranium)

The recovery for the quarter increased by 10,000 kilograms but the sales in terms of firm commitments were lower than the previous quarter.

Working Costs

The costs were adversely affected by the expenditure directed to opening-up and for the additional development necessary to re-establish underground operations on the uranium section.

Additional Revenue

The figure of R838,000 includes the payment received in respect of a FIRE INSURANCE CLAIM.

Capital Expenditure

The main item was for re-furbishing of two acid plants.

There are commitments for capital expenditure totalling R34,000; the estimated total capital expenditure for the remainder of the current financial year is R194,000.

On behalf of the board,
A. W. S. SCHUMANN
W. B. COETZER *Directors*

SOUTH ROODEPOORT MAIN REEF AREAS LIMITED

Issued Capital—1,420,663 shares of 56 cents each.

Operating results		Quarter ended 30 Sept. 1976	30 June 1976
Ore milled	(t)	83,500	93,700
Gold produced	(kg)	406·488	507·021
Yield	(g/t)	4·87	5·41
Revenue per ton milled	(R)	15·23	18·72
Cost per ton milled	(R)	22·54	21·66
Loss per ton milled	(R)	7·31	2·94
Financial (R'000)			
Working revenue		1,272	1,754
Working costs		1,882	2,030
Working loss		610	276
State aid		319	286
Net additional expenditure		Cr. 12	Cr. 3
Profit/(loss) before taxation		(303)	7
Taxation		—	—
Profit/(loss) after taxation		(303)	7
Capital Expenditure		11	54
Dividends: declared		—	—
per share (cents)		—	—
Development			
Advanced	(m)	804	1,586
Sampling results:			
Sampled	(m)	237	471
Channel width	(cm)	88	86
Average value	(cm.g/t)	587	533
Payable:			
Metres	(m)	26	178
Percentage		10·8	37·3
Channel width	(cm)	61	73
Value	(g/t)	15·63	12·60
	(cm.g/t)	952	714

Development Summary

for the three months ended 30 September 1976

Reef	Payable metres	Per-centage payable	Channel width cm	Value g/t	Value cm.g/t
Ventersdorp Contact Reef	18	11·3	54	16·28	878
Kimberley Reef	8	9·6	78	14·63	1,131
Totals	26	10·8	61	15·63	952

REMARKS

Production

Following the substantial fall in gold price, it was decided to curtail operations to approximately 10,000 tons milled per month with a view to reducing the mining loss.

The tonnage milled for the quarter was maintained at 28,000 tons per month by utilizing tonnage from accumulations of ore underground.

As previously announced, the company published the Statutory notice of intention to cease operations and a further announcement was made concerning an offer from The Randfontein Estates Gold Mining Company, which will be considered by Shareholders at a General Meeting on a date to be announced.

On behalf of the board,
A. W. S. SCHUMANN
W. B. COETZER *Directors*

NOTE

(a) Development values quoted above represent actual results of sampling (no allowance having been made for any adjustments which may be or were necessary) when estimating ore reserves at the end of the respective financial years.

(b) All financial figures are subject to audit.

Secretaries:
General Mining and Finance Corporation Limited

London Office
Princes House
95 Gresham Street
London, EC2V 7EN
13 October 1976.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. (01-836 3161) ENGLISH NATIONAL OPERA Tonight and Sat 7.30 Rigoletto: Tomor. 7.30 Don Giovanni: Tue. 7.30 Dalibor: Wed. 7.30 Cavalleria Rusticana and Pagliacci.

COVENT GARDEN. 240 1066 (Gardencharge-credit card booking 836 6903). THE ROYAL OPERA Oct 21 at 7.30: Macbeth. THE ROYAL BALLET Tomor., Sat. & Mon. & Oct. 19, 20, 22 at 7.30: Anastasia. Tomor., Sat. & Mon with Seymour, Mason. 65 Amphi' seats for all perfs. on sale from 10 a.m. on day of perf.

SADLER'S WELLS TH Rosebery Ave EC1 837 1672 Evs 7.30 Mat Sats 2.30 THE SADLER'S WELLS ROYAL BALLET Ton't The Lady and the Fool. Summertide. Raymonda Act III: Tomor Sat and Mon Coppelia: Tue and Wed Grosse Fuge. Rashomon, Lulu.

THEATRES

ADELPHI THEATRE. 01-836 7611. Evgs. 7.30. Mats. Thur. 3.0. Sats. 4.0. IRENE "LONDON'S BEST NIGHT OUT. SPECTACLE. CAPTIVATING TUNES AND RACY COMEDY." People. IRENE "SLICK, SUMPTUOUS—THE MUSICAL IRENE HAS EVERYTHING." D. Express. IRENE CREDIT CARDS ACCEPTED NOW BOOKING TO MARCH 1977 MAT. TODAY 3.0. Seats from £1.

ALBERY. 836 3878. Evenings at 8.0. Mats Thurs. 3. Sats. 5 and 8.15 sharp. National Theatre production. MICHAEL JAYSTON EQUUS by PETER SHAFFER Directed by John Dexter "STUNNING AND COMPELLING." Std.

ALDWYCH. 836 6404. Inf. 836 5332. ROYAL SHAKESPEARE COMPANY in Bernard Shaw's THE DEVIL'S DISCIPLE "This triumphant revival is played by a flawless cast." Daily Express. (Tnt. tmr. 7.30. Sat. 2.30 and 7.30): in repertoire with Arbuzov's OLD WORLD and Chekhov's IVANOV.

AMBASSADORS. 836 1171. Red. Price Prev Tues 8. Opens Wed. next at 7. Subs. 8. Tues. 2.30. Sats. 5.30. 8.30 NIGEL PATRICK. PHYLLIS CALVERT. ISABEL DEAN. JENNIFER HILARY in Denis Cannan's new play DEAR DADDY Dinner and Top Price Seat £6.30 incl.

AMBASSADORS. 01-836 1171. Evenings 8.0. Sat. 5.30. 8.30. HAPPY AS A SANDBAG 2nd year of Delightful Hit Musical. "Wonderful. Don't miss it." D. Exp. Dinner/Top price seat £6 incl Transfers to Westminster. Oct. 18.

APOLLO. 01-437 2663. Evenings 8.00. Mat. Thur 3.00. Sat 5.30 and 8.30. Pauline COLLINS John ALDERTON "are BRILLIANT." D. Exp. In CONFUSIONS "Super Alan Ayckbourn gives audience such a wonderful evening." Sun. Times.

ARTS THEATRE. Mon. to Thurs at 8.30. Friday and Saturday 7.30 and 9.15. TOM STOPPARD'S DIRTY LINEN "Hilarious ... see it." Sunday Times.

CAMBRIDGE. 836 6056 Evenings 8.00. Mat. Wed. 3.00. Sat. 5.00 and 8.15. "BLAZES INTO DRAMATIC LIFE." Sunday Express. Peter Wyngarde. Elspeth March. "Nyree Dawn Porter is superb." Mirror ANASTASIA "GRIPPING FROM START TO FINISH." Time Out. "GLITTERING." D. Mail. "ROMANTIC." E.S. "FASCINATING MYSTERY." Daily Telegraph. "YOU WILL GET FULL VALUE." Daily Mail. THREE WEEKS ONLY Price £1 to £3.

COMEDY. 930 2578. Evenings 8.0. Mat. Thurs. 3.0. Sat. 5.30 and 8.30. Winner of all the Awards BEST PLAY OF THE YEAR Michael GAMBON in Simon GRAY'S OTHERWISE ENGAGED Directed by Harold Pinter

CONWAY HALL Red Lion Square (Holborn Tube) 01-628 0898 Oct. 20-30. Wed.-Fri. 8.0. Sat. 5.30 and 9.0 JOINT STOCK in THE SPEAKERS.

CRITERION. 930 3216. LAST 3 WEEKS. Evgs. 8. Mats. Thurs. 3. Sat. 5.30, 8.30 ALEC McCOWEN MICHAEL BRYANT JUDY PARFITT. ANNETTE CROSBIE in THE FAMILY DANCE by Felicity Browne "Very funny, perfect entertainment." S.T.

DRURY LANE. 01-836 8108 Evenings 8 sharp. Matinees Wed and Sat. 3.00. A CHORUS LINE "A RARE, DEVASTATING, JOYOUS ASTONISHING STUNNER." Sun Times.

DUCHESS. 836 8243. Evenings 8.0. Friday. Saturday 6.15 and 9.0. OH! CALCUTTA! NOW IN ITS 7th YEAR "Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel BOOKING THROUGH SPRING 1977

DUKE OF YORK'S. 01-836 5122 Evenings 8.00 Wed. Sat 5.00 and 8.45. TERRY SCOTT JUNE WHITFIELD A BEDFULL OF FOREIGNERS "GENUINELY HILARIOUS." Gdn. Dinner/Top price seat £6 inc

ELLE et LUI. 01-437 2661. Walker's Court, Brewer Street W1 (next to Raymond Revuebar) PAUL RAYMOND presents PENETRATION An Erotic Adventure in French Pornography. An explicit Multi-Sexual Fantasy. Opens Mon. Oct. 18. Prevs. Thur. Fri. Sat. 8.15 and 10.15.

FORTUNE. 836 2238. Mon.-Fri. 8. Sat. 5 and 8. Thurs. 3. Avril ANGERS. Ewan ROBERTS in AGATHA CHRISTIE'S MURDER AT THE VICARAGE 2nd GREAT YEAR

GARRICK THEATRE. 01-836 4601. Evenings 8.00. Fri., Sat. 6.00 and 8.40. RICHARD BECKINSALE is "Side-splittingly funny." Daily Mail. in FUNNY PECULIAR "Mike Stott's exceptionally fine, vastly entertaining, brilliant comedy." S. Times. "More good laughs than any other play in London." Observer.

GLOBE. 01-437 1592. Evenings 8.15. Mat Wed. 3.00. Sat. 6.00 and 8.40. PETER BARKWORTH. PETER JEFFREY and PENELOPE KEITH. "The funniest woman in the West End." Guardian. DONKEY'S YEARS "MICHAEL FRAYN'S delightful comedy." Evening Standard. "Two hours of bubbling laughter." Daily Mirror.

GREENWICH. Crooms Hill, S.E.10. 858 7755 Evgs. 7.30. Mat. Sat. 2.30 SCRIBES by Barrie Keeffe. "It gets Greenwich's new season off to a good confident start." Gdn.

HAYMARKET. 930 9832. Evenings 7.45. Mat. Wed. 2.30. Sat. 5.0 and 8.15. Googie WITHERS. Susan HAMPSHIRE. John McCALLUM. Clive FRANCIS. Martin JARVIS and Bill FRASER in The Chichester Festival Theatre's Production of Somerset Maugham's THE CIRCLE

HER MAJESTY'S. 930 6606. Evgs. at 8.0. Fridays and Saturday's 5.45 and 8.30. IPI TOMBI "PULSATING MUSICAL." Evg. News. Seats £3 to 50p.

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30. 9.30. THE ROCKY HORROR SHOW BEST MUSICAL OF THE YEAR "Impossible to overpraise." Punch. NOW IN ITS 4th ROCKING YEAR

LYRIC. 01-437 3686. Evenings 8.00. Mat. Wed. 3.00. Sat. 5.00 and 8.30 SHEILA HANCOCK. JOHN MOFFATT in THE BED BEFORE YESTERDAY A Comedy by BEN TRAVERS "STILL THE FUNNIEST COMEDY IN LONDON" Daily Mail.

LYTTELTON (new National Theatre). 928 2252. T'day 2.30 (red. price Mat.) Ton't. Mon. & Tue. 7.45 BLITHE SPIRIT by Noel Coward. Tomor. & Wed. 7.45. Sat. 2.30 & 7.45 Jumpers. Over 100 excellent £1 seats on sale day of perf. from 8.30 a.m. (75p for Mat.). Car park open evening perfs.

MAY FAIR. 629 3036. 493 2031. Evgs. 8.15. Fri., Sat. 6.0 and 8.45 ANNA RUSSELL "She really is the crowned clown queen of musical satire." D. Mail. "Last night's audience hysterical with laughter." F.T. Seats from £1.10. Dinner-Show £6.60.

MERMAID. 248 7656. Food 248 2835. Evenings 8.0. Mat. Thur., Sat. 5.0. FOR KING AND COUNTRY by John Wilson "A riveting production . . . as splendid a play as 'Journey's End.'" Dly. Express. "Compulsive . . . Paul Copley is simply superb." Daily Telegraph. Restaurants open noon and 5.30.

NATIONAL THEATRE. See under OLIVIER and LYTTELTON.

NEW LONDON. Drury Lane. 405 0072. London's New Saucy Comedy! Katy Manning. Peter Denver. Primi Townsend and Jeff Rawle in SO WHO NEEDS MEN! Mon.-Thurs 8.0 Fri., Sat. 6.0 and 8.45. Reduced prices Friday 6.00 Performance.

OLD VIC. 01-928 7616. LIMITED SEASON—Five Weeks Only Evenings 7.30. Mat. Sat. 3.0. LEONARD ROSSITER. JOHN STRIDE. DILYS LAYE JOHN PHILLIPS in PETER BARNES' FRONTIERS OF FARCE by FEYDEAU & WEDEKIND "I CANNOT REMEMBER HAVING SEEN A FUNNIER PLAY." Times. "I LAUGHED LIKE A DRAIN." Gdn. "ENORMOUSLY FUNNY." D. Express.

OLIVIER (new National Theatre) 928 2252. Ton't & Tomor. 7.30 Sat. 2.15 & 7.30 PLAYBOY OF THE WESTERN WORLD by J. M. Synge: Wed 7.30 Il Campiello. Over 130 excellent £1 seats on sale day of perf. from 8.30 a.m. Car park open evg. performances.

PALACE. 01-437 6834. Mon.-Thurs. 8.00 Fri., Sat. 6.00, 8.40 JESUS CHRIST SUPERSTAR

PALLADIUM. 01-437 7373. Until Sun Evenings 8.0 (excl. Thursday) BRUCE FORSYTH In his own "one-man" laughter show.

PALLADIUM. 01-437 7373. BOOK NOW FOR PETULA CLARK 8 PERFORMANCES. Nov. 8-13.

PICCADILLY. 437 4506. Mon to Fri. 8 Saturday 5.30 and 8.30. Jerome Kern's Hit Musical VERY GOOD EDDIE! "LOVELY to look at. DELIGHTFUL to hear and HEAVEN to watch" S. Eve. "Absolutely enchanting . . . I really loved it" N.Y. Times. OVER 200 PERFS.

THEATRES

PHOENIX THEATRE. 01-836 8611 Evgs. 8.15. Fri., Sat. 5.45 and 8.45 CARTE BLANCHE "OFFERS A VARIETY OF SEXUAL ATTRACTIONS." Evening Standard. "SUMPTUOUSLY STAGED" D. Tel.

PRINCE OF WALES. 01-930 8681. Evenings 8.00. Fri., Sat. 6.00 and 8.45 MICHAEL CRAWFORD FRANCES CUKA in SAME TIME NEXT YEAR "SIMPLY GREAT." Daily Mail. "TRIUMPH FOR CRAWFORD" D. Exp.

QUEEN'S. 01-734 1166. Evenings 8.00. Mat. Thur. 3.00. Sat. 5.0 and 8.30 ALEC GUINNESS. NICOLA PAGETT. MARK KINGSTON. ANGELA THORNE in YAHOO "Spellbinding theatre." Dly. Tel. "Alec Guinness is utterly compelling" Gdn.

RAYMOND REVUEBAR THEATRE. 734 1593. at 7. 9. 11 p.m. (Open Suns.) PAUL RAYMOND presents THE FESTIVAL OF EROTICA '76 FULLY AIR CONDITIONED. You may drink and smoke in the Auditorium.

REGENT. 323 2707. Evenings 8.30 Friday and Saturday 7.0 and 9.15. THIRD ECSTATIC YEAR New Cast! New Excitement! LET MY PEOPLE COME AN ADULT MUSICAL "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROUNDHOUSE. 267 2564. Until Oct. 23. TRADITIONAL JAPANESE DRUMMING THEATRE AND DANCE ONDEKO ZA "Unusual and exhilarating." Times.

ROYAL COURT. 730 1745. Evenings 8.00. Saturdays 5.00 and 8.30. MOTHER'S DAY A comedy by DAVID STOREY SEE also THEATRE UPSTAIRS

ST. GEORGE'S. 01-609 1198. 49. Tufnell Park Road. Islington. N.7. (Tufnell Park Tube) All unsold seats after 7.20 p.m. £1.00 for OAPS and students Tnt. tmr. 7.30. Sat. 2.30. 7.30: ALAN BADEL in RICHARD III SEASON CLOSES OCTOBER 16. THEATRE RE-OPENS MARCH 1.

SAVOY. 836 8888. Evenings at 8.00. Sat 3.0 and 8.00. Matinees Wed. 2.30. ROBERT MORLEY. GEORGE COLE. in BEN TRAVERS' BANANA RIDGE "HILARIOUS SUCCESS" D Tel.

ST. MARTIN'S. 836 1443. Evenings 8.00. Mats. Tues. at 2.45. Sat. 5.00 and 8.00. AGATHA CHRISTIE'S THE MOUSETRAP World's longest-ever run. 24th Year.

SHAW. 01-388 1394. Evenings 7.30. ROMEO AND JULIET

STRAND. 01-836 2660. Evenings 8.00. Mat. Thurs 3.00. Sats. 5.30 and 8.30. Doris Hare. McDonald Hobley. Arthur Howard. Barry McGinn NO SEX PLEASE —WE'RE BRITISH Directed by Allan Davis. The World's Greatest Laughter Maker.

TALK OF THE TOWN. 01-734 5051. FULLY AIR-CONDITIONED From 8.15. Dining and Dancing. At 9.30 Revue SWEET TEMPTATION and at 11 p.m. JULIE ROGERS. Opening Tuesday next: DREAM EXPRESS

TH. UPSTAIRS. 730 2554. Evgs. 7.30. JOINT STOCK in LIGHT SHINING IN BUCKINGHAMSHIRE by Caryl Churchill.

VAUDEVILLE. 01-836 9988 Evenings 8.0. Sat. 5.0 and 8.15. GERALD HARPER HANNAH GORDON UNA STUBBS. PRUNELLA GEE in BAGGAGE "WITTY AND VERY FUNNY." E. News. LAST WEEK—must end Saturday.

VAUDEVILLE. 836 9988. Red. Price Prevs Tue., Wed. next 8. Opens Th. Oct. 21. 7. Subs. 8. Tue. 2.45. Sat. 5.30. 8.30. IAN CARMICHAEL JULIA LOCKWOOD HUGH PADDICK PHYLLIDA LAW OUT ON A LIMB A New Comedy by Joyce Rayburn

VICTORIA PALACE. 01-834 1317. Opens November 10. A Lavish Revue. CILLA AT THE PALACE with her friend JIMMY TARBUCK

WESTMINSTER. 834 0283. Evgs. 8.00. Mat. Wed. 2.30. Sat. 5.30. 8.30. HAPPY AS A SANDBAG 2nd Year of Delightful Hit Musical TRANSFERS HERE MONDAY

WHITEHALL. 930 6692-7765. Evgs. 8.00. Sat. 6.00 and 8.45. Mats. Wed. 3.00. BRIAN RIX "MARVELLOUSLY COMIC." Ev. News. Terence ALEXANDER Jan DOWNS FRINGE BENEFITS Supper and Top-price seats £5.30 inc.

WINDMILL THEATRE. 437 6312. Twice Nightly at 8.00 and 10.00. PAUL RAYMOND presents RIP OFF THE EROTIC EXPERIENCE OF THE MODERN ERA An entire French production You may drink and smoke in the Auditorium. "Takes to unprecedented limits what is permissible on our stage." Evening News

THEATRES

WYNDHAM'S. 836 3028. Evgs. Mon.-Fri. 8.00. Sats. 5.15 and 8.30 Millicent Martin, Julia McKenzie David Kernan, Ned Sherrin in SIDE BY SIDE BY SONDHEIM "If you are planning to spend one evening in the musical theatre this year I urgently suggest you make it Side By Side by Sondheim. If you are planning to spend two GO TWICE . . ." Punch "GO THREE TIMES." Clive Barnes, NYT

YOUNG VIC (by Old Vic) 928 6363 Tonight 7.45 ANTONY & CLEOPATRA (All seats 80p).

CINEMAS

ABC 1 & 2 SHAFTESBURY AVE 836 8861 Sep Perfs. ALL SEATS BKBLE. 1: PICNIC AT HANGING ROCK (A) Wk and Sun 1.45 4.40 7.50. 2: SEVEN NIGHTS IN JAPAN (A) Wk and Sun 2.00 5.15 8.15. Last 7 days.

CURZON, Curzon Street, W.1. 499 3737. COUSIN COUSINE (AA) English Subtitles. Progs. 2.30 (not Sun.). 4.25. 6.25. 8.30.

EMPIRE. Leicester Square. 437 1234. All seats may be booked at the box office or by post. LOGAN'S RUN (A). Sep. perfs. Progs. 2.30. 5.30. 8.30.

LEICESTER SQUARE THEATRE (930 5252). Neil Simon's Comedy MURDER BY DEATH (A). Sep. progs. Dly. 2.30. 5.30. 8.30. Late show Fri. & Sat. 11.45.

ODEON HAYMARKET (930 2738/2771). TAXI DRIVER (X). Sep. progs. Dly. 1.30. 4.45. 8.15. Late show Fri. & Sat. 11.45. Ft. times Mon.-Suns. inc. 2.05. 5.20. 8.50. Late show Ft 12.20. All seats may be booked

ODEON LEICESTER SQUARE (930 6111). THE OMEN (X). Sep. progs. Dly. 12.10 (not Sun.). 2.55. 5.40. 8.35. Late show Fri. & Sat. 11.45. Seats bkble. by post or at Box Office for Mon.-Fri. 8.35 prog. and Sat. & Sun. all progs.

ODEON MARBLE ARCH (723 2011/2). BUGSY MALONE (U) There's Never Ever Been A Movie Like It. Sep. progs. Dly. 2.30. 5.30. 8.30. Late show Sat. 11.45 p.m. All seats may be booked.

PLAZA 1 and 2. Lower Regent Street. SW1. 437 1234. Sep. perfs. All seats bookable eve. perf. Box Office 11 a.m. to 7 p.m. (not Suns.) No phone bookings. 1. OBSESSION (AA). Daily 2.00. 3.45. 6.05. 8.25. 2. THE SHOOTIST (A). Progs. weekdays 2.30. 4.35. 6.40. 8.45.

PRINCE CHARLES Leic. Sq. 437 8181. Now in Her 3rd Sensational Year The One and Only Original EMMANUELLE (X) Sep Perfs Dly (inc Sun) 2.45 6.15 9.00 Lte Show Fri and Sat 11.45 Seats Bkble. Lic'd Bar.

SCENE 1,2,3,4. LEIC SQ (WARDOUR ST) 439 4470 SCENE 1. Cont Perfs Dly 12.30 Lte Show Fri and Sat 11.55 Redford/Hoffman ALL THE PRESIDENT'S MEN (AA) Progs 12.30 2.55 5.55 8.55 Lte Show Fri and Sat 11.55. SCENE 2. Cont Perfs Dly 12.55 Lte Show Fri and Sat 12.00 DRUM (X) Progs 12.55 3.05 5.20 7.30 9.45 Lte Show Fri and Sat 12.00 SCENE 3. Cont Perfs Dly 1.20 Lte Show Fri and Sat 11.30 THE MESSAGE (A) 1.20 4.45 8.05 Lte Show Fri & Sat 11.30 SCENE 4. Cont Perfs Dly 12.55 Lte Show Fri and Sat 11.50 JAWS (A) Progs 12.55 3.35 6.20 9.05 Lte Show Fri & Sat 11.50

WARNER WEST END Leicester Square. Tel.: 439 0791. 1. REDFORD/HOFFMAN ALL THE PRESIDENT'S MEN (AA). Sep. perfs. 2.05. 5.05. 8.05. Late show Fri. & Sat 11.00. 2. CRY ONION (A) Cont. progs. 2.40. 4.35. 6.30. 8.30. Late show Sat. 11.00 p.m. 3. STANLEY KUBRICK'S BARRY LYNDON (A). Ryan O'Neal, Marisa Berenson. Fully air-conditioned Sep. progs. 2.30. 7.30. Late show Sat. 11.00. 4. CLINT EASTWOOD THE OUTLAW JOSEY WALES (AA). Sep. perfs. 2.30. 5.10. 8.00 Late show Fri. & Sat. 11.00.

EXHIBITIONS

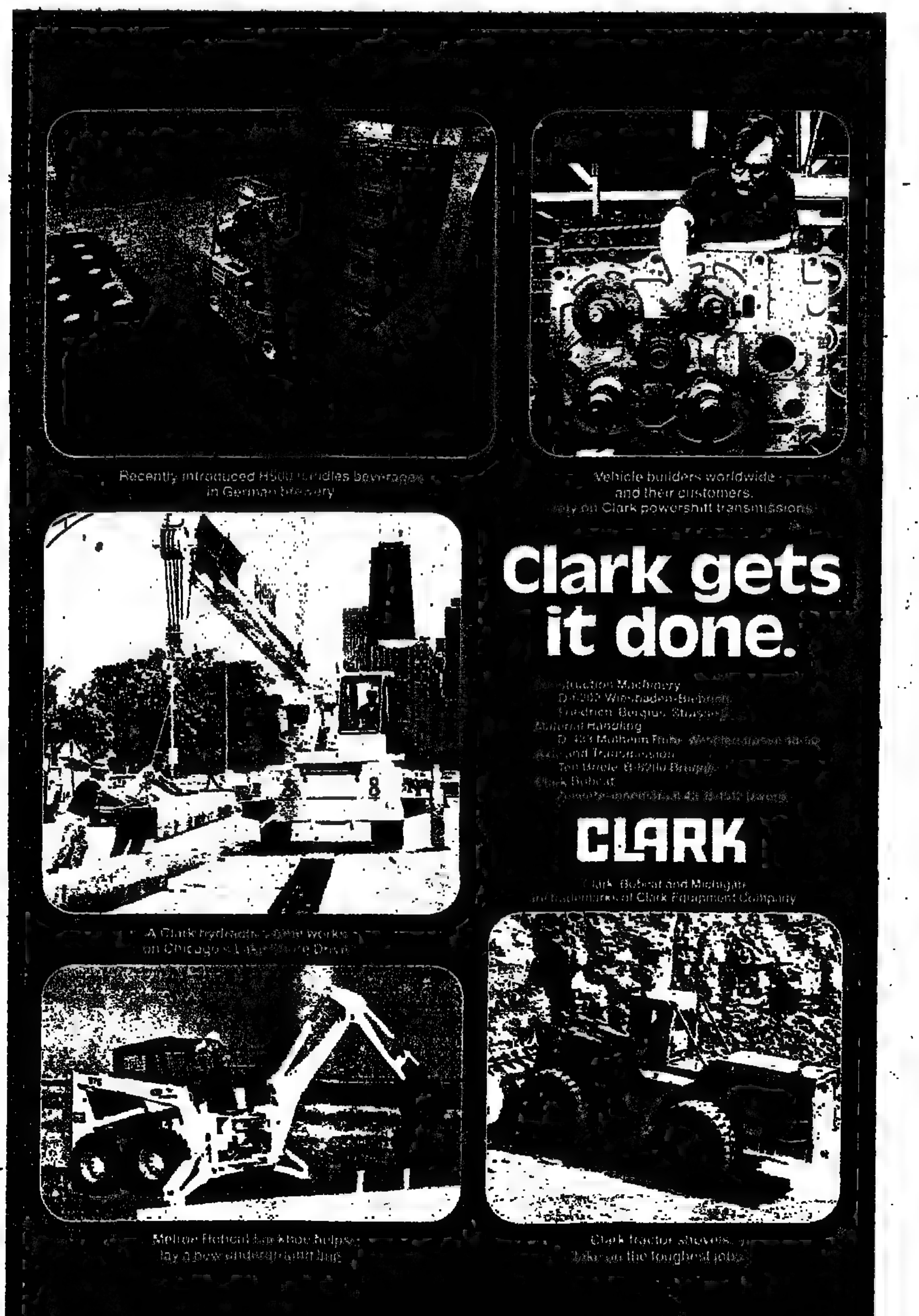
KENSINGTON ANTIQUES FAIR Town Hall Oct. 15-23. 11am-8pm. Bargains.

CLUBS

EVE. 129 Regent Street. 734 0557 A la carte or All-in Menu. Three Spectacular Floor Shows. 10.45. 12.45. 1.45 and music of Johnny Hawkesworth & Friends

GARGOYLE. 69 Dean Street. London. W.1. STRIPTEASE FLOORSHOW SEX UNLIMITED Show at Midnight also 1 a.m. Hostesses Mon.-Fri Closed Saturdays. 437 6455.

Our famous erotic Cabaret appears every half hour until the early hours, together with our renowned friendly company and excellent Cuisine. 9 pm-3 am Monday to Saturday. JULIA'S Restaurant Cabaret Club Enquiries and Reservations. 734 1071 (day) 930 1648 (eve.) 4 Duke of York Street. St. James's. London SW1.



Latin American businessmen have to be wily to survive astronomical inflation. **W. T. Baxter** describes the economic ups and downs of Brazil, Chile and Argentina

How to ride a tiger and stay in business

HOW DO you survive inflation? Latin American businessmen ought to know, given that in 1975 the price level in Brazil rose by about 30 per cent. after much higher rates; in Argentine the rate soared over 300 per cent.; and Chile's was falling from its 1974 peak of some 600 per cent.

The answer is, of course, that they mistrust money, and (when they are creditors) try to base their long-term contracts on indexed units or foreign currency. They cannot avoid using money for to-day's bus fares and price-tags; and a rather tragic minority (the peasant and the immigrant) still fall for the figures in a savings book. But the majority rush to get rid of money by buying clothes, shoes or canned goods, and they gladly pay stiff interest rates for fixed-money loans and hire purchase. Your wise schoolboy puts his savings into indexed bonds or dollars and the taxi-driver is up to his ears in debt.

The devices by which people can adapt to inflation depend largely on the calibre of their government. In Chile and Brazil, the Government has entrusted financial policy to sound economists, and enforces their rules with vigour. Both have adopted "monetary correction" (that is indexation) on a grand scale: their citizens can use indexed bonds as a savings vehicle, and also as a value unit for long-term contracts. Brazil gears foreign exchange to a crawling peg, and is not too oppressive with its price controls; in consequence, market pricing works effectively, and few transactions are driven on to the black market. Under the Allende Government in Chile, official prices were kept at levels far too low to be realistic: shops became bare, and buyers had to depend largely on the black market (which, according to widespread belief, got its supplies via corrupt party officials). After Dr. Salvador Allende's fall, most controls were swept away. The shops doubled their prices, but brought out stocks from under the counter.

Indexation

Under Senora Maria Estela Peron, the Argentine Government preferred controls to "monetary correction." True, it issued indexed bonds; but otherwise the scope for indexation was very limited. The controls increased in number and absurdity, until they could not be effectively enforced. The black market swelled to a size that justified its being re-named "the parallel economy." The junta which seized power in March 1976 has set about razing the control fabric.

"Monetary correction" covers many types of adjustment, mainly based on a general index. Chile and Brazil make use of the full range. Their national obligations are indexed. So are private contracts—for instance, rents and arrangements for delayed payment. Bank loans and deposits are often indexed if their term stretches beyond six months. Tax debts (both to and of government) are indexed; so are the personal allowances. (Chile defines the latter in terms of a "tax unit," whose size in pesos jumps each month). The crawling peg and inflation accounting can be regarded as further examples of monetary correction.

During severe inflation, a business needs more and more money to finance its everyday needs and the unforeseen crisis (as when Senora Peron's government doubled wages overnight in 1975). But, since a fixed loan must sink in real worth, the supply tends to dry up. In Brazil and Chile, the way around the difficulty is by indexed loans: the interest rises in step with the general index, and may work out at some 6-8 per cent. in real terms; the capital repayment is also raised by a correction which is tax free. In Argentina, long-term loans have almost vanished from the balance sheet.

Crazy policy

Rather surprisingly, companies in all three countries can usually count on getting their short-term needs from a bank, without indexation. Governments may be anxious to halt inflation, but they dare not let many businesses go bankrupt. So the central bank keeps pumping out fresh funds. However, one must manoeuvre and coax for one's share of this bounty. To improve its chances, a business accounts with many banks—sometimes up to 40.

In Chile, the borrowing business pays a rate of interest that bears some relation to the pace of inflation (for example, 20 per cent. per month when the inflation ran at near that rate). In Brazil, the nominal rate is constrained to 12 per cent. by a usury law, but the bank catches up by tying many strings to the loan. In Argentina, banking policy became crazy; borrowers could get money at 40 per cent. p.a. and relend at 80 per cent., or use it to buy stocks that might appreciate by 300 per cent.; the gains from owing money could far eclipse those from trading.

In Argentina the system sometimes broke down, and barter became necessary. A newspaper might advertise refrigerators, and accept refrigerators as payment instead of cash. It then sold them to its workers at a discount, or flogged them anywhere it could.

Inflation is a reason to pay late and collect early. An efficient business cuts the time between sale and collection, by quickly sending off the goods and the bill, and refusing to sell to slow payers. A manufacturer can sometimes force shops to pay on delivery, or will grant an 8 per cent. discount for cash within ten days. In Argentina, a mortgage bank found that its collection costs grew to more than the instalments collected, and gave its debtors a 60 per cent. rebate if they repaid the capital balance.

Sophisticated

A company must also be spry about raising its price; once it lags behind the general upsurge, it can have trouble in catching up. A series of small monthly rises is likely to create less ill-will than an occasional big jump. A sales department often is reluctant to put up its prices; one of the advantages of inflation accounting is that is makes salesmen more sensitive to cost increase.

For many years, most South American countries have let businesses raise the value of their fixed assets, and their depreciation charges, in line with a general index. In 1964, Brazil took a momentous further step by allowing them to cut their profits (and tax) by charging the loss on the value of their working capital (stock and net money assets), as calculated with a general index. These steps hardly amount to full inflation accounting—but they work.

Chile in 1975 adopted a far more sophisticated system, under which all items in the accounts are revamped in current terms — mostly with the general index. In Argentina, the accountants put up a proposal for a rather similar system, but the Peron Government was incapable of doing anything about it. A handful of leading companies voluntarily use the new system to supplement their legal accounts, which have become well-nigh meaningless.

It seems inexplicable that Sandilands should brush aside all this experience of income correction, and spurn the general index in favour of subjective costs that may well prove unsound in principle and a nightmare for auditors.

Evasion

In its resolve to get back to a free economy, Chile has swept away most of its price controls. Brazil retains them in a mild form. Senora Peron's government used them extensively.

To get permission to put up his prices, a Brazilian manufacturer must prove to a tribunal that his costs have risen because of increased input prices (not because of inefficient operation) —a laborious job. But he usually feels in the end that the tribunal is showing commonsense. It lets him update historical depreciation cost, and allows him a return of 15-20 per cent. on a capital figure that grows with inflation. Foreign business can readily remit dividends of up to 12 per cent. per annum.

In Argentina, price controls have been a major handicap to businesses that are too big and conspicuous for evasion. The controls put a heavy strain on accountants, who need to work fast to keep abreast of new rules, fill in endless forms, and then spend much time crying on official doorsteps. The system sapped both honesty and efficiency. Inflation marched hand-in-hand with corruption. As one manager put it: "The officials assumed you were inflating your cost figures by 5 per cent., so you had in fact to falsify your data. In the end, we just about covered costs, and made only a trifling profit. Official prices gave no incentive to invest—our best plan was to get our spare cash out of the country in black market dollars. That's why our plant is obsolete."

The Peronist Government worked hand-in-glove with the trade unions, which were sometimes run on Mafia-like lines, and so a manager might find that his surest way to win a price increase was to give a union boss the whole of the extra revenue for the first month.

Penalties

Despite harsh penalties, black markets tend to emerge whenever controls veer too far from supply and demand. Under the Allende Government, for instance, many workers threw up their jobs for the more profitable task of queuing all night at supermarkets, and then reselling their purchases at high prices; there was also a brisk market in foreign currencies, where illicit buyers at one point gave 15 times more for the U.S. dollar than the banks did.

In Argentina, the economy has depended on a vast complex of underground dealings. Multitudes of otherwise respectable people believe they must break the law to make any sort of living. Tax evasion paved the way. The personal allowances were cruelly low, accounting profit is not fully corrected for inflation, and tax administration was for a time slack. So there have been strong inducements to cheat, and tax revenue fell fast in real terms.

The underground trade has taken many forms. To get the international price instead of the controlled one, smugglers have shipped great quantities of farm produce across the Parana to Brazil. Small traders would omit to put price tags on goods, and ask for more than the controlled figure; if a government inspector caught them, he inflicted a fine and closed the shop for a time. The keeping of false records (or no records) became widespread. Invoices might be falsified. For instance, the seller would invoice 12 articles at the official price but send only six; or he demanded a cash payment as well as the invoiced amount. The buyer was desperate for goods (which he sold under the counter at a high profit), so willingly connived.

When a taxpayer's accounts fail to reveal part of this year's earnings, he must somehow steer that money out of next year's accounts too. So an important financial sector has developed in black loans. The finance house that handles them keeps two sets of books. The same house probably has until recently had a busy room upstairs for illicit dealings in the foreign currency market.

So big was the parallel economy that the Government periodically proclaimed a *blanqueo* — an official time of grace during which black money could be whitewashed in return for tax at a low rate. Then balance sheets were suddenly enriched with stray money—gains from past misdeeds plus a judicious allowance for future ones. Official regulations spell out the bookkeeping steps: debit cash, credit a reserve, and then use this to issue bonus shares.

(W. T. Baxter, author of Accounting Values and Inflation, was Professor of Accounting at the London School of Economics from 1947 to 1973.)

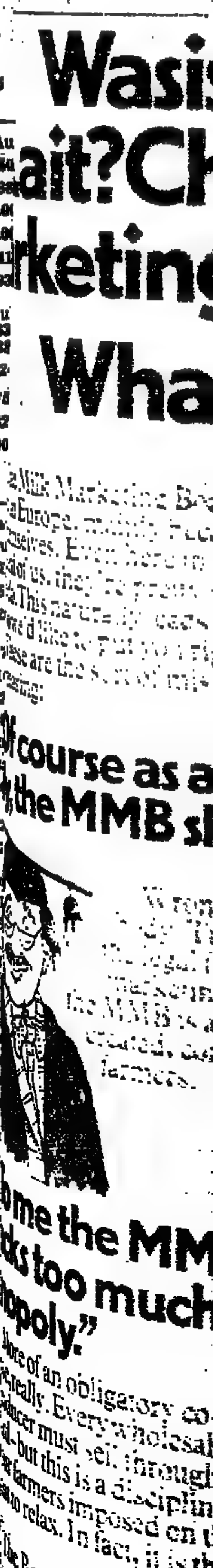
U.K. ECONOMIC INDICATORS

General	1976 Sept.	1976 Aug.	1976 July	1975 Sept.	1975 Aug.
Unemployment ('000s)	1,458.4	1,501.9	1,332.6	1,249.4	[illegible]
Unfilled vacancies ('000s)	129.0	128.0	129.1	143.4	[illegible]
Currency reserves ($bn.)	5.158	5.029	5.370	5.259	[illegible]
Bank advances (£bn.)	15.002	15.100	15.613	12.782	[illegible]
Basic materials (1970=100)	314.0	303.9	302.0	243.2	[illegible]
Manfrd. prods. (1970=100)	226.2	223.3	219.8	194.9	[illegible]
	Aug.	July	June	Aug.	Ju[ly]
Wage rates (July 1972=100)	216.4	216.3	214.4	184.3	183
Retail prices (Jan. 1974=100)	158.5	156.3	156.0	139.3	138
HP debt (£m.)¶	2,430	2,386	2,363	2,247	[illegible]
Retail sales val. (1971=100)	204.3	199.9	194.2	175.8	175
Terms of trade (1970=100)	80.8	79.5	79.8	81.9	82
Industrial output (1970=100)	100.8	101.8	100.2	98.9	100

Trade and Industry	1976 Aug.	1976 July	1976 Jan.-Aug.	1975 Aug.	1975 Jan.-Aug.
Imports fob (£bn.)	2.331	2.492	2.212	1.875	[illegible]
Exports fob (£bn.)	2.040	1.955	1.929	1.492	[illegible]
Visible trade balance (£bn.)	−0.291	−0.524	−0.282	−0.401	[illegible]
Steel, weekly average ('000 tonnes)	374.8	367.1	425.5	353.7	387
Cars ('000s)*	80	133	112.5	96	[illegible]
Commercial vehicles	26.4	33.2	32.0	29.7	32
Houses completed ('000s)¶	24.0	[illegible]	25.5	24.0	[illegible]
TV sets ('000s)‡‡	169	196	183	144	[illegible]
Radios, radiograms ('000s)‡‡	235	235	292	392	[illegible]
Bricks (millions)*	409	446	451	369	[illegible]
Cement, weekly average ('000 tonnes)*	301	313	319	318	[illegible]
Man-made fibres (m. kgs.)*	43.82	46.72	50.97	40.77	[illegible]
	July	June	Jan.-July	July	Jan.-July
Furniture (1970=100)†**	150	126	151.4	156	[illegible]
Raw cotton, weekly average ('000 tonnes)§	2.19	1.91	2.31	2.66	[illegible]
Electric cookers ('000s) f†	63.3	70.6	76.3	79.0	[illegible]
Washing machines ('000s)†	48.3	107.8	74.3	86.7	[illegible]
	June	May	Jan.-June	June	Jan.-June
Hosiery (1970=100)**	[illegible]	88	[illegible]	112	[illegible]
Petroleum (m. tonnes)†	5.835	6.020	6.965	5.680	7.0
	June	May	Jan.-June	June	Jan.-June
Engineering orders on hand (1970=100)**	90	91	93.2	112	119
Raw wools (m. kilos)§	9.9	10.2	10.2	10.2	[illegible]
	Mar.	Feb.	Jan.-Mar.	Mar.	Jan.-Mar.
Machine tools (£m.)†	34.6	27.8	29.8	30.2	[illegible]

	1976 2nd qtr.	1976 1st qtr.	1975 2nd qtr.	1975 1st qtr.	1975 Year
Consumer spending (£bn. 1970 values)	8.875g	8.812	8.839	9.041	[illegible]
Motor trade turnover (1972=100)	177	166	148	137	[illegible]
Building and civil engineering (£bn.)c	3.163g	3.014	2.912	2.644	[illegible]

* Production. † Deliveries. ‡ Net sales. § Consumption. ** Seasonally adjusted. †† All manufacturing industries. ¶ Excluding car radios. ‡‡ Deliveries, U.K. made and imported sets. d Prices. f Including cooker griller toasters. c Value of output. ¶ United Kingdom not seasonally adjusted. g First preliminary estimate. p Provisional figures.



FINANCIAL TIMES SURVEY
Thursday October 14 1976

The Dairy Industry

A twelvemonth ago, after a lean period, milk production was moving up to record levels, helped by increased prices and kind weather. But the industry's new-found health lasted only until last summer's drought. Now it is recovering again, but slowly.

Sharp swings in output

By Peter Bullen

THE PAST twelve months must go down in agricultural history as the most volatile ever for Britain's milk producers.

A year ago an atmosphere of deep gloom pervaded dairy farms all over the country. Unsuitable weather, a harsh economic climate, low prices and soaring costs had resulted in a drop in cow numbers, a cut in the numbers being bred for future production and a fall in milk output throughout the summer.

Milk producers and their wives demonstrated up and down the country and even on the doorstep of 10, Downing Street to draw attention to their plight, warning that retrenchment in milk production could lead to a serious loss of jobs in ancillary industries.

Others called for militant action and the withdrawal of milk supplies, while industry leaders struggled to achieve the same ends without militancy by constant pressure on the Government. Milk supplies dropped so low that all butter-making in England and Wales had to be stopped and there were very real fears that with even normal weather in winter, production would reach such a low point in the seasonal "trough" period during early December that there would not be enough to make fresh cream. Contingency plans for bringing in cream from Ireland and even supplies from the Continent were drawn up just as had been planned a year earlier when another steep drop in December supplies had been anticipated, but never materialised.

Then came the change-round. The Government—which controls producers' prices, distributors' returns and fixes maximum retail selling prices for milk — increased producers' prices.

Sudden

The weather, which is still the most important single factor in influencing patterns of production of most agricultural produce, remained exceptionally kind. Grass continued to grow for weeks after the time it would normally have been available and this plus the extra quantities of rich cattle cake that dairy farmers knew they could afford to feed with higher prices coming for their milk produced a sudden and large increase in milk yields.

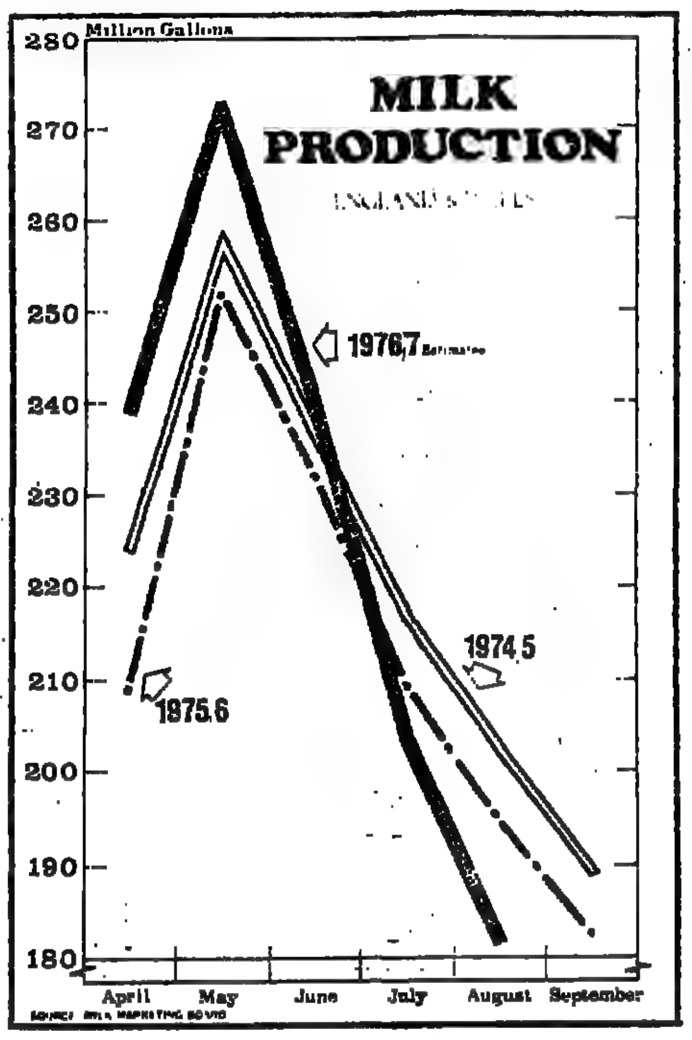
By the end of October production was up by 5 or 6 per cent. despite the drop in size of the national herd. Supplies for the rest of winter looked assured and butter production was able to be resumed when earlier it had been feared that spring 1976 would be the first time butter-making could start again.

Such was the turnround in the industry's fortunes that by November output was setting a record for the month, which meant more and more milk being made into dairy products and in its own small way the U.K. was beginning to add to the EEC's dairy surpluses problems.

Against this background of rising production and a big increase in breeding by artificial insemination, Britain's milk industry began to set its sights on the sort of expansion of output called for in the Government's White Paper "Food From Our Own Resources."

Butter production was one of the first targets and an ambitious campaign was launched to produce more U.K. butter and to persuade housewives to buy more of it. It was even given the personal blessing of the then Minister of Agriculture, Mr. Fred Peart. In 1975 the U.K. had spent more than £500m. on importing dairy products—£351m. on butter alone. Home output had to be expanded, he said.

He added: "However, if our policy is to be successful, it is imperative that there should be a market for this increased production. The low production levels in recent years have enabled Continental producers to move in on the U.K. market and valuable ground has already been lost. We therefore have a fight on our hands to re-establish British butter as a major force on the British market."



Producers, processors and distributors worked together to expand the sales of milk, butter and cheese—rejecting the argument that it was illogical for the U.K. to be trying to boost output at a time when the EEC was in a serious long-term milk and dairy products over-supply trend. The Minister said he did not accept that the U.K., which was not even applying full Community prices, should deliberately restrict production so that less efficient farmers elsewhere could continue present production levels.

Whatever the merits of the argument for expanding U.K. output one way or the other, yet another major reversal was in store for the industry here and across the whole of Europe. Even as consumers were being exhorted to buy more British butter the warm, dry weather had begun. It soon turned into the long, hot summer which, following several dry winters, was to produce the worst drought in Britain for several hundred years—certainly the worst in the memory of anyone in farming.

Barren

By August the green pastures of England and Wales had been turned into hard, brown, almost barren fields with not enough grass to feed sheep let alone cows. Dairy farmers had to start feeding expensive winter rations in the heat of summer and in some areas the bulk milk tankers had to be used to ship water to livestock on farms where all other supplies had dried up.

The effect on milk yields was grim. From the record-breaking months of winter and spring (May had seen a new record for the month established, 8 per cent. more than in May 1975) production slumped badly. In the areas worst hit by the drought production was down by 15 to 20 per cent. and the pattern of falling yields followed the line of drought northwards across the country until in Scotland, where the effects were minimal.

For some individual dairy farmers the outlook was totally depressing. Winter rations were being fed in summer at an extra cost of hundreds of pounds a week for a 100-cow herd, while less milk was being produced. The quality of the milk, too, was suffering which meant a drop into lower payment bands.

Nationally it brought the disappointment of yet another total closure of butter-making plants in England and Wales from the end of August and a cutback in cheese production. When the final estimates for milk production in August were drawn up last month the figures revealed that the total for the month had dropped to 181.6m. gallons. This was 6.7 per cent. below the August 1975 figure and was the lowest August figure since 1968

September saw the end of the drought and the heavy rains which have swept over practically every area of the country for the past four or five weeks have triggered off yet another major change-round. A land of parched, brown fields covered in deep cracks in many places has been transformed into bright green pastures again yielding welcome grazing for livestock.

But the improvement in grazing and milk yields was not sufficient to prevent milk producers suffering such an erosion of their profit margins that they were estimated by the Milk Marketing Board to be much lower than at any time since the war.

Another big increase in producers prices was called for and earlier this month the new Minister of Agriculture, Mr. John Silkin, announced a 2p a gallon rise on winter milk prices that will put an extra 1p on the retail price of milk from January—a month or two earlier than originally planned.

Mr. Silkin made it clear that he had taken the action as a specific measure to alleviate the worst effects of the drought on the milk industry because of its vulnerability to the drought and because of its importance in the Government's plans for expanding home food production.

Award

Both the MMB and the National Farmers' Union felt that the award, although welcome, was not sufficient to persuade producers to regain and maintain the expansion of output seen earlier in the year.

Another kind winter and the prospect of future price increases as the U.K. moves up to the levels paid in other EEC countries by the beginning of 1978 may do enough to start the milk flowing in quantity again, however. After the violent fluctuations in the past 12 months, though, it would take a brave person to forecast firmly what will happen over the next year.

Costly burden of EEC surpluses

This year's midsummer madness. As grassland dried up in the drought, stocks of winter feed had to ... raided and spread along a controlled line.

THE "MOUNTAINS" of skimmed milk and butter built up in the EEC are the real scandals of the Common Agricultural Policy (CAP).

Much attention has been focused recently on the very large sums drawn from the EEC farm fund to pay for the compensatory monies, subsidising the cost of food in Britain and Italy. But it is the dairy support programme that has been the most wasteful and costly item over the years, underlining a fundamental weakness of the whole system.

To the outsider, and indeed to those inside the industry, it seems completely crazy to go on raising the cost of dairy products to the point where consumption is discouraged, and then spend large sums of money in trying to dispose of the huge surplus stocks that have built up as a result of over-production.

As an added insult it is then proposed to raise the cost of other competing products, like margarine, putting up the cost of living artificially and offending important trade partners. Ever since the notorious cut-price sales of EEC butter, the Community has thrashed around seeking some solution to the perpetual dairy surplus problem which threatens to bring the whole CAP tumbling down.

So far it has been notably unsuccessful. The huge sums paid out in monetary compensation to Continental suppliers exporting butter to Britain, the reduced imports from New Zealand and the drought have prevented the surplus butter "mountain" building up too much. But it has still reached 425,000 tonnes on latest estimates, nearly 200,000 tonnes above what are considered to be normal stock levels.

However, there has been a frightening build-up in the surplus stocks of skimmed milk powder, the by-product of butter and cheese manufacture. This particular "mountain" has grown to nearly 1.4m. tonnes, according to recent estimates, despite a clumsy effort by the Commission to incorporate it compulsorily in animal feedingstuffs.

As it is a valuable source of protein, it seemed the ideal solution in theory to try to divert the surplus supplies of skim milk powder into animal feed and thereby also cut Community imports of substitute products. But the arbitrary method chosen—of making compounders pay a deposit on soyabean and other vegetable protein imports that would only be refunded if the required amount of skimmed milk powder had been used—aroused such opposition and hostility that it turned out to be almost self-defeating.

Many compounders refused to use the skimmed milk powder, despite paying the import premium, on the grounds that it was simply not suitable for incorporation into certain foods. The higher costs involved were of course passed on to the customer, and the net result is that only 270,000 tonnes so far out of the target of 400,000 tonnes has been used. A Commission move to extend the deadline beyond the original date of October 31 is likely to be rejected by Agricultural Ministers since it has aroused so much hostility both from domestic compounders and also the U.S.

The Commission is now left with the task of attacking the root cause of the EEC dairy surplus — the over-production that has been encouraged by the too high prices paid to producers within the Community.

Last week M. Pierre Lardinois, EEC Commissioner for Agriculture, put forward the Commission's plans for trying to end the perpetual dairy surplus within the Community. But these proposals had already been delayed by the drought that hit dairy farmers hard — and even with the drought ended the chances of them being accepted are still doubtful.

The basic intention is to make milk producers "co-responsible" for the surpluses by cutting back the payments they receive by between 2 to 4 per cent. if output exceeds an agreed figure. The size of the reduction would be varied according to the level of surplus stocks.

The revenue derived would be used to promote consumption of dairy products, with particular emphasis on subsidising school milk programmes. But included in the package is the controversial proposal for a tax on margarine and other rival products to butter fat. Not surprisingly this is arousing considerable opposition from domestic margarine manufacturers and overseas suppliers of vegetable oils.

At the same time it is doubtful—to say the least—whether any real cutback in dairy producers' returns can be agreed without fundamental changes in the whole Common Agricultural Policy. Dairy farming is one of the most numerically important sectors of agriculture, providing a livelihood for many farmers willing to work the long hours involved. So any cut in returns will be vigorously opposed by the farming lobbies of all countries with strong dairy industries.

In the past most EEC member governments have shown a distinct reluctance to accept any cut in returns for a sector that is politically significant either in terms of votes or influence. Britain is no exception. The U.K. Government's White Paper on the future of agriculture, called "Food from our own Resources," commits Britain to an expansion policy for dairy production, despite the chronic surplus within the Community.

The argument is that Britain has the most efficient dairying industry, and that it is therefore in the Community's interest to allow its expansion at the expense of other less efficient producers. However, even if this were true—and other EEC members such as Holland would dispute it—there are considerable doubts as to whether the highly geared, capital-intensive dairy industry is as strong in economic terms as claimed. The small Continental units, often run by industrial workers on a part-time basis, pose a real threat in that they are far less vulnerable to price disincentives than the cost conscious big units.

Britain has other problems to bear in mind too. It is committed to provide an outlet for cheese and butter supplies from its traditional supplier New Zealand—a commitment that is becoming increasingly difficult to honour.

Already the assurance of continued access for New Zealand dairy products in the U.K. market—fought for so hard in the U.K. negotiations for entry and the subsequent renegotiations by the Labour Government—has been eroded under pressure from other member countries. The going may become even harder in the future, with Britain arousing resentment in Brussels by its refusal to devalue the Green £ at all despite the huge fall in sterling.

Dumping

Eventually, as the transitional period of entry into the EEC nears an end, and the Green £ is adjusted to a more realistic level, prices of dairy products in the U.K. will have to rise considerably. This could mean further rises in the butter "mountain," since Britain is at present the main dumping ground for the EEC surpluses, aided by the artificially low price levels in comparison to the rest of the Community, resulting from the monetary compensatory payments subsidising U.K. imports.

The recent drought, whic[h] ... European milk produ[ction] generally, should help to ... down the build-up of the b[utter] and skimmed milk moun[tains] temporarily at least. But [it re]mains to be seen whethe[r the] Community has the coura[ge and] political will to tackle the f[unda]mental problem of reducin[g the] incentive to produce. If it h... and persists in the face-s[aving] measures which only tinker [with] the problem, the whole f[uture] of the CAP must be in ... greater doubt in view of th[e im]portance of the dairy sec[tor].

A recent estimate was ... the cost of the dairy pr[oduct] mountains was in the ord[er of] £1bn. a year, or £40 per [Com]munity cow—an increas[ingly] heavy burden that must [even]tually be too much for eve[n the] EEC to carry.

John Edwa[rds]
Commodities E[ditor]

Butter and cheese sales

SOME GOOD always comes out of calamity, it is said, and as far as the 1976 drought is concerned it did help the dairy industry in one respect.

Butter production in England and Wales was forced to stop for some time, putting national plans to make big inroads into the home butter market out of kilter, but the cutback in cheddar cheese production can only have been for the good. In the past few years the U.K. cheddar market has come under increasing pressure, with supplies growing into "mini-mountains" of stocks to overhang the market and depress prices for months.

Home production of cheddar began building up rapidly at the prospect of the expected gap in Britain's supplies that membership of the Common Market would bring when Commonwealth imports fell away. Large dairy companies installed, at great expense, automatic cheese-making plant which was soon churning out vast quantities of cheddar—not always of the highest quality.

Unfortunately, cheese producers in other EEC countries also thought they saw a prospect of increasing their cheddar-type exports to Britain, so they too expanded output and shipped it to the U.K.

A look at the first-hand selling price pattern for the past year shows the effects on the heavily laden cheddar market. Home produced cheddar was selling at £865 a tonne last October. An attempt was made to raise prices in February when a peak of £1,008 was sought but the market could not take it and fell back to £950. It is now only beginning to creep back up near the £1,000 a tonne level despite at least two price increases caused by changes in the Green Pound rate or a rise in EEC intervention prices.

However, the brighter side for industry has been the consumption pattern. Cheddar cheese consumption reached a record of almost four ounces per person a week in the second quarter of this year the Ministry of Agriculture's National Food Survey figures show. This included a rise of almost a third of an ounce between the first and second quarters of 1976 despite a 2p a lb reduction (from 12p to 10p a lb) in the consumer subsidy being paid by the Exchequer. With the steep rise in the price of other proteins such as meat competing in the same area for the housewife's money, the higher consumption levels may well continue.

Almost the reverse has been happening with butter sales however. In the second quarter of 1976 per capita consumption slumped to just over 5 oz. per week—the lowest level for nearly four years and more than ¾ oz. per person a week below the figure for the same quarter the year before. But expenditure on that smaller quantity of butter was 11.58p per person a week compared with only 9.97p in the second quarter of 1975.

Successive price increases as Britain raises its price levels closer to those of its Community partners combined with reductions in consumer subsidies are beginning to have the effect that everyone in the industry had forecast and feared. The swingeing cut from 11p to 7p a lb in the butter subsidy in June this year (with further cuts to come) has created a lot of difficulties but the industry is thankful that consumption had climbed quite remarkably in the previous three or four years.

Back in 1973 when the price was around £350 a tonne and consumption in the low 400,000 tonnes no one would have dared forecast that in 1975 the market would have grown to 500,000 tonnes despite a price rise approaching 200 per cent.

Severely

This year the high prices of over £1,000 a tonne for butter look like hitting consumption so severely that the total sold on the U.K. market is now expected to be closer to 400,000 tonnes —a fifth of the market gone in a year. The outlook for the next five years is gloomy as well with the trade forecasting that the U.K. market will dwindle to a mere 300,0000 tonnes unless the EEC has a change of heart and starts to boost consumption by giving massive consumer subsidies to encourage the Community to eat away its dairy surplus problems.

For the U.K. producer 1976 has not been a year of unrelieved gloom. Despite the disappointment of having to curtail butter output because of the drought, the home industry has had the satisfaction of almost doubling its 1975 production, and sales of Country Life English butter are likely to be around 5 per cent. — their highest ever.

Stockpiling of the butter in cold stores has ensured that it can be marketed throughout the year, winter included, and English butter sales have been boosted by a £500,000 promotions campaign.

Even bigger sums are being spent by other countries on promoting dairy products this year, notably the £1½m. being pumped into a campaign to promote "Anchor" butter and cheese from New Zealand. Anchor butter is still the biggest selling brand despite the restrictions imposed by the EEC on New Zealand butter shipments.

This year New Zealand has been restricted to sending 122,000 tonnes to the U.K. and Britain has fought hard in the EEC to enable its traditional supplier of low-cost butter to continue sending similar quantities in future. However, other EEC countries argue that it is not right for a third country to have automatic entry for a specified quantity to a declining market, as this would mean a rise in New Zealand's percentage share of the market.

The £1½m. campaign by the New Zealand Dairy Board is a vote of confidence in its own future in the U.K. When he announced the campaign in London last month Mr. Lawrence Friis, Board chairman, stated unequivocally: "All our marketing decisions are made on the basis of a continuing substantial New Zealand presence on the U.K. market. We are confident that New Zealand butter, which has met the needs of the British housewife for so many years will continue to be first choice in this country."

As for Britain's liquid milk sales, the steady rise in prices has also begun to take its toll. The National Food Survey, again for the second quarter of this year described the trend: "Household consumption of liquid milk averaged 4.63 pints a person per week in the second quarter and was significantly lower (by a fifth of a pint) than in the previous quarter or the second quarter of 1975, but a third of this decrease was offset by increased consumption of processed milk."

The record high temperatures this past summer probably did little to help milk sales and a 1p a pint price rise at the beginning of last month with another 1p to come early in January will have a further depressing effect on sales. At least on liquid milk the EEC Commission is showing signs of taking a leaf out of the U.K.'s book and looking at schemes to boost consumption in order to help its long-term dairy surplus problems.

Peter Bullen

Britain's dairy farmers

THE ENDING of the drought has undoubtedly relieved Britain's dairy farmers of their most pressing anxiety. Except in the far North West many of them already had their herds on full winter rations of hay silage and concentrates, and were facing the prospect of having to maintain them in this way until the grass came again next spring.

Now there is the prospect of sufficient grass in most districts to give cows some weeks of grazing with a consequent economy in winter feed. Already this has been marked by a slackening in the demand for compounds, and also in a reduction in the price of hay and straw. Autumn grass will in most cases, though, be insufficient to produce silage, and the rain may have come too late to enable the root crops sown during the drought to make more than minimal growth.

The drought itself has affected milk yields quite substantially. Output for July, August and September was down on last year, but it is probable that overall the annual yield will be above that of 1975-1976. What has been lost has been the tail end of summer output, as farmers dried off their cows early to economise in feed.

Last year should have been a good one for dairymen. The substantial price increase granted in the autumn added to the 6p per gallon awarded in the March review, left them with a margin over feed costs which was the best that many of them could remember. In addition, prices for calves and culled cows have reached a very high level, as have the prices of surplus dairy stock.

However, the drought in mid and late summer has been accompanied by a substantial rise in the cost of compound feeds which is still continuing, and dairymen are demanding a devaluation of the Green £ so that their prices can be raised to avoid a significant fall in their margins. They have been watching the falling value of sterling and point out that while costs are rising to the level of those on the Continent their returns are still well below prices received by their competitors there.

It is difficult to determine exactly what effect on prices any particular devaluation of the Green £ would have, but it is probable that a full devaluation would mean a rise of between 10p and 12p per gallon and roughly equate returns here with those in, say, France or Holland. It would be far from being all profit because any devaluation of the Green £ would probably apply to cereals and could, by raising the cost of imported grain, increase compound prices substantially.

The chances of a devaluation at the moment are politically uncertain as the Government does not wish to raise the price of milk to the consumer. There is also a realisation among the rest of the industry that certain products, notably pigs and poultry, could be very badly affected by an overall re-va[lua]tion of the Green £ bec[ause] prices for these are not gua[ran]teed in the same way as mi[lk].

Confidence among dai[rymen] has been rising since 19.. when many producers, parti[cu]larly in the West of Engla[nd] had almost talked themse[lves] into a depression. It now d... seem as though those compl[ain]ing loudest were a minor[ity]. The latest agricultural retu[rns] show that although there ... been a slight fall in ... numbers milk output ... increasing until the drou[ght] became established.

Double

The prospects in number[s of] heifers being reared indicate ... maintenance of the pre[sent] national herd. The British a[ver]age herd size of 50 milking c[ows] is only exceeded in Scotl[and] and is double the next lar[gest] in the Community, that in ... land. It is probable that h[erd] size will continue to incr[ease] cautiously, because altho[ugh] farmers are well aware of ... advantages of reducing ... costs by increasing output, ... opportunities for doing so ... often limited by shortage [of] land.

The best ways of overcom[ing] this shortage are either to ... increased compounds or to [in]crease the production of gr[ass] land with use of heavy dress[ings] of nitrogen. These avenue[s of] expansion are both to some[ex]tent limited at present. [The] drought, which affected mos[t of] the dairying areas in Bri[tain] except for the North West, ... made things particularly [diffi]cult for the very intensive gr[ass]land farmers compared w[ith] those who are more conserva[tive] in their stocking rates.

Those who rely on con[cen]trated feeds also face greatly [in]creased compound prices as ... present high cost of grain ... proteins becomes fully reflec[ted] in the final cost of a dairy rat[ion]. Nonetheless it is impossible [to] see any viable dairy farm ... going out of productio[n] although some of those w[ith] suitable land may be temp[ted] by the high price of grain ... other crops to give up dairy[ing] altogether.

John Cherringt[on]
Agriculture Correspond[ent]

Milk Board's future

THE 1975 White Paper "Food from our own Resources" called for an increase of 20 per cent. in dairy production by 1980. This looked as though it might possibly be achieved as until the drought this year production had been 6 per cent. up on the previous year. But this could have well have been no more than a reflection of improved yields, as the number of cows was actually falling slightly. It is doubtful, though, if the projected expansion will come so soon—although some increase from the existing herd is always possible as management goes on improving.

One reason is the expense of capital for starting new projects. With building costs to the order of £300/£600 per cow, to say nothing of an investment of at least £300 in every animal, it is probable that few farmers would change from an existing profitable enterprise to dairying. Indeed, one dairy farmer said to me the other day that although in revenue terms his cows were profitable on capital account, with interest rates as they are at the moment, he was actually making a loss.

The future of the Milk Marketing Board is also of some concern. As a producer monopoly working under Government control it is against Community rules, and various spokesmen from Brussels have said so bluntly. The big question is as to how many of its powers will remain at the end of transition on January 1, 1978 and what criterion will be used for fixing milk prices here. The present system is for the milk price to be tied to the retail level in this country and is completely controlled by the Government through the Board.

In the rest of the Community milk prices are governed by the intervention price for butter and skimmed milk powder. The result of this is that unlike in Britain, where prices are fixed regionally by the Milk Boards, in Europe they may differ quite materially as between areas as the pricing depends on the manufacturers of dairy products, and how much use they make of the intervention system.

Broken

This works fairly well in the Common Market, where one hears no great volume of complaints. But it will be entirely fresh to British farmers, especially if the Milk Board's monopoly is broken, either by Continental imports directed at the retail market or by milk products.

The difference between the two systems is well illustrated by the fact that the British public drink more milk than the populations of West Germany, France and the Netherlands combined. Of total liquid sales in the Community, Britain's share, with about 20 per cent. of the total population, is over 44 per cent. It is also the case that much of the liquid milk drunk in the rest of the Community at present is of low fat or otherwise treated milk, and not the high quality natural milk consumed in these islands.

So the dairy industry has to harmonise not only its production practices with the high costs ruling on the Continent, but also accustom itself to an entirely new basis of trading when the Community system becomes fully established.

John Cherrington

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Daily milk round a U.K. fixture

IF IT has done nothing else the drought this year has reminded most of us of the true value of adequate supplies of pure water. Apart from the annual grumble about the addition to the rates bill or the occasional trouble with dripping taps or frozen pipes the domestic water supply has been just one of those things that is always there. reasonably cheap, reliable and of course taken for granted.

That could almost be the description of Britain's daily milk deliveries system. It is also reasonably cheap. efficient and reliable (with occasional exceptions) and has also tended to be accepted as a permanent part of the British way of life.

If the majority of people in Britain's milk industry have their way that is how it will stay. Right from the farmer through to the customer the majority view is in favour of continuing regular doorstep deliveries. For the industry the maintenance of the regular service is regarded as vital to the continuation of a high level of sales and for the customer there is the obvious advantage of convenience and labour saving in having the milk brought to the doorstep.

Statistically the service provided is staggering. In the U.K. some 17½m. homes (about 92 per cent. of the total) are visited daily and 32m. bottles of milk left. These are carried by 40.000 roundsmen and their vehicles. But the figures, impressive though they may be. give no indication of what the task involves.

One of my neighbours is a milkman and every morning at 4.15 he starts his day. For most of the year it begins in pitch darkness. often in pouring rain. Sometimes in winter I am awakened by the sound of snow being brushed from his drive before he can reverse up it on to the road to drive through the town on snow-covered roads well before the salting and gritting lorries make the going easier.

Each roundsman visits an average 450 homes before his day finishes around lunchtime; the countless steps, miles of paths and quantities of bottles that have to be negotiated during the day have to be experienced to be understood. Between them the 40,000 milkmen also have to collect £20m. from their customers each week which can make Friday and Saturday very long working days indeed.

Many roundsmen would do no other job, however, despite the hardships. They like to work in the open and to meet a lot of people while virtually being their own boss for most of the day and working at their own pace.

MILK IN THE EEC

Country	Approx. % milk on doorstep	Processing and distribution margin: pence per gallon	Total Milk consumed kg per annum
England & Wales	92	31	143.7
Ireland	92	32	206.7
Denmark	none	42	114.6
Belgium	none	46	75.1
France	none	49	70.0
Germany	none	35	76.3
Holland	50	36.5	[illegible]
Italy	none	61	68.2

Source: Dairy Trade Federation.

As the accompanying table shows the system as developed in Britain and Ireland is far cheaper in costs per gallon than in other Common Market countries. At the same time Britain and Ireland enjoy far higher milk consumption figures that are the envy of all our Community partners. As is often pointed out, if only the rest of the Common Market would drink as much liquid milk as the peoples of the British Isles then the looming "mountains" of surplus dairy products that threaten to bury the Common Agricultural Policy and all who swear by it would disappear almost overnight.

Naturally, with hundreds of millions of pounds invested in plant and equipment for cleaning, filling and delivering glass bottles the milk industry would be against any radical change in the system. But over and above this obvious reason, the industry feels that milk sales would suffer severely if housewives ever got into the habit of buying their milk from a shop along with the groceries.

In most countries around the world the milk has to be bought in this way. Even in some parts of Britain shops sales are a significant outlet for milk sales. In the large cities of Scotland —Glasgow in particular—there has always been a tradition of buying milk from the corner shops. To-day the supermarkets have brought their own high pressure salesmanship to the job. cutting prices and promoting milk in-store.

There is a theory that for every pint of milk sold—even though it may be sold with no profit as a loss leader item—£1 of other groceries are also purchased. So long as only a minority of customers are coming to the store for their milk requirements no doubt this is possible. But dairy companies in England and Wales argue that if the pattern of distribution were reversed and over 90 per cent. of the milk had to be sold through shops the enormous storage and shelf space required and the handling and the refrigeration costs involved would be almost prohibitive and would prevent supermarkets being able to continue to sell milk at cut prices.

Distribution costs still bear heavily on dairy companies. of course, and in some rural areas or in towns with a predominance of high rise flats delivering milk to every door has become an expensive business.

It has necessitated the introduction of one or more milkless days a week in some of these difficult areas but the widespread ownership of refrigerators to-day enables most customers to take two days' milk at a time without fear of it going off. Some dairies have switched to cartons and plastic containers to cut costs but a bottle that can be used for 40 to 60 trips takes a lot of beating when it comes to costings.

Rationalisation of rounds, introduction of smaller and lighter bottles to enable vehicles and men to carry more and reach more customers per round have helped to keep the daily delivery service going. Development of roundsmen deliveries of other products has also played a big part in meeting the cost.

Bread and potatoes are two of the most popular purchases that housewives like to make from their milkmen to save them the trouble of dragging them home in heavily laden shopping baskets.

Many roundsmen deliver a whole range of dairy products such as cheese. butter, and yoghourts as well as eggs, canned goods, oven-ready chickens and turkeys—even nylon tights and bags of coal in some instances.

On the human side the daily visit of the milkman is one of the few contacts with other people that many lonely and/or old people have. This prompted the industry to launch a Milkman's Care Code to remind roundsmen to be on the alert for emergencies where there are elderly, infirm or others living alone. Already this has resulted in several sick or injured old people receiving aid when a roundsman has spotted something wrong.

Britain may be becoming more Continental in many things, like decimalisation. metrication and standardised road signs, but for the foreseeable future the milk delivery to the doorstep seems unlikely to disappear. The pattern may alter slightly from area to area to suit local conditions but the clink of the milk bottle on the doorstep will be heard through the land for many years to come.

P.B.

Crompton Electricars Thruline dairy vehicle which can deliver bread, potatoes and other foods besides its normal milk load.

Company earnings improve

Spring 1975 was a grim time for the dairy produce companies. Milk, the raw material, was in short supply: inflation was roaring ahead: and industry generally was in a state of severe recession. The supply situation improved smartly enough in 1976, but only to meet with the drought during the summer. which has had a marked effect on milk yields and has caused a number of butter factories to shut down earlier than would otherwise have occurred in a normal season.

The figures speak for themselves as regards past performance. Northern Foods, for example, made pre-tax profits of £2.8m. in 1971. went on to £4.5m. the following year. £5.6m. the next but then dropped back to £4.7m. in 1974. The recovery can be clearly seen in the latest annual return of £9.4m. — double the previous year's figure.

Clifford's Dairies, too, experienced a similar pattern. Taxable profits in 1970 amounted to some £385,000; in the following year they moved ahead to £425,000 and on to £576,778 in 1972. The following year saw a lapse to £477.684 and a further deterioration to £245.000 in 1974. In 1975, there was a recovery to £606,000.

The pattern is by no means uniform. however, because of the other activities of the groups for this reason. Associated Dairies has had a smoothly rising curve of profits. From a base of under £800,000 in 1967, profits have moved through a steadily improving sequence: £1.1m., £1.4m., £1.7m., £2.9m., £3.8m. up until the really dramatic moves in recent years. In 1973, taxable profits amounted to £6.3m. and in the latest financial year the figure amounted to £14.7m.

Unigate has enjoyed particularly dramatic growth. Profits since 1972 have swollen from £14.1m. to the most recent figure of £21.6m.

Profits of the Dairy companies are to a very large extent dictated by the price levels that are imposed on them. Each year the Ministry of Agriculture, Food and Fisheries has to decide upon the "target rate of profit." Quite simply, each year MAF decides on the guaranteed level of profit it is going to give the farmer — for example, the producer. That sum is then multiplied by the number of gallons of milk to produce the sum of the total commitment.

It then becomes a question of how this figure can be matched. A sample of the dairy companies (around 60) is taken and the costs calculated according to each of the various activities. The resulting average cost is then added to the "target rate of profit" — a figure decided according to the prevailing economic and industrial climate — and a price is arrived at for the consumer, the housewife. The target rate of profit is also dictated by the amount of the commitment to the farmers.

The level of profit the producing compani[...] have to buy their raw (milk) from the Milk M[...] Board representing the[...] is in theory at any rate. The difference betwe[...] panies' profits is dic[...] their ability to be[...] average cost figures a[...] crease volume.

Subsidies

The main factor that [...] this delicate balance is [...] duction of food subsidi[...] this system, which has [...] force only in recent y[...] imbalance between t[...] paid to farmers and th[...] from the consumers [...] made good by the Treas[...]

The earnings situati[...] from the drought this s[...] has undoubtedly impro[...] statements from the c[...] say that much at least. [...] Foods is predicting [...] steady progress, despit[...] stantial increase in the [...] milk which has resul[...] drop in volume. The [...] states that "Improved [...] tion efficiency is the onl[...] combating chronic infla[...]

The reference to t[...] price increases relate[...] Government's decision [...] the price to the consum[...] 5p at November, 1974[...] current 9½p. A furt[...] of 1p per pint has alre[...] projected for January n[...]

At the moment, the [...] ment's plans to incre[...] milk producing capacity [...] with the White Paper [...] in April, 1975. on "Fo[...] Our Own Resource[...] holds firm. And this h[...] enced a great deal of [...] expenditure in the indu[...]

A vast chunk of our [...] bill is accounted for b[...] products: the U.K. produ[...] 10 per cent. of its but[...] 65 per cent. of its che[...] sumption. It is clearly [...] that these figures be [...] tially reduced. The bi[...] on increasing the total [...] of milk available for pro[...]

The first requiremen[...] the liquid milk itsel[...] cream; then cheese; an[...] butter. The compani[...] tioned have all been eng[...] rationalisation of one [...] another. New dairies ha[...] opened, or are in the pr[...] being built, and the old [...] are being closed.

One notable event w[...] takeover by Northern F[...] Clover Dairies. Rationa[...] is clearly the order of [...] and it is significant th[...] group is seeking to ma[...] further acquisitions.

Keith [...]

FARMING AND RAW MATERIALS

Metals rise despite cut in price of U.S. zinc

By John Edwards

LONDON METAL markets held steady yesterday as the technical reaction against the recent steep falls continued encouraged some trade buying interest. Nevertheless the markets remained extremely nervous.

Copper, for example, advanced in early trading on the firmer trend in New York overnight and some trade buying interest, mainly from West Germany, where the Deutschmark price of copper is now near to the 1972 level. But the market lost ground at the higher levels again, and closed only marginally higher.

Zinc also closed slightly lower, despite the announcement by leading U.S. producers Amax, Asarco and National of price cuts to 37 cents a pound in their domestic price for prime western zinc. This cancels the increase announced in August this year, which it is believed has never fully been implemented because of stocking by consumers at the old price and subsequent lack of demand.

An Amax spokesman said the cutback was precipitated by the recent fall in zinc prices on the London Metal Exchange. In fact the U.S. price cut had been generally forecast following the failure of the European zinc producer quotation to be raised, mainly because of the lack of demand that has forced LME prices down and raised warehouse stock to a record level.

Tin, aided by a rise in the Penang market overnight, gained ground but is still awaiting the result of producer pressure at the Tin Council meeting for a further rise in the Tin Agreement price ranges.

Recovery in cocoa market

By Richard Mooney

COCOA PRICES reached further new highs yesterday with the March position on the London terminal market gaining £69 to close at £1,653.5 a tonne.

Dealers said the market seemed to have shrugged off the effects of the disappointing U.S. third quarter grinding results announced on Tuesday. They said that the sharp rise in third quarter cocoa products imports may have taken the edge off traders' disappointment at the 2 per cent. rise in grindings which compared with forecasts of an 8-10 per cent. increase.

Substantial food price rises 'unavoidable'—Which?

BY JOHN EDWARDS, COMMODITIES EDITOR

SUBSTANTIAL FOOD price increases in Britain are unavoidable during 1977, but the Government must do its utmost to prevent any price rises it can control—such as taking a tough line over the proposed devaluation of the "green pound" and next year's farm price review.

That is the message the Consumers Association is sending to Mr. John Silkin, Agriculture Minister, following a special report on the food price situation conducted by Which? issued yesterday.

In a letter sent to Mr. Silkin urging him not to devalue the "green pound," the report gives examples of the kind of food prices that could be expected over the next 18 months if increases were passed on in full to consumers.

It claims that butter would go up from 45p to 65p a pound, even without devaluation of the "green pound" as a result of the withdrawal of U.K. Government subsidies and the transitional move towards the higher EEC price levels. A 20 per cent. "green pound" devaluation (the Commission sought a 4.5 per cent. adjustment at the last Brussels meeting of EEC Ministers) coupled with a 5 per cent. rise at next spring's farm price review would push butter up to 78p a pound in the U.K., the report claims.

Big price rises are also predicted for sugar, bread and flour. However the report claims that the real problem is the very high prices fixed in Brussels. It claims that butter in the EEC is 270 per cent. of the world market price, *skimmed milk powder* 330 per cent., beef about 200 per cent. and wheat around 150 per cent. If prices were set at a more reasonable level the U.K. would not need the "green pound" to keep them down, the report says, but as long as they remain high consumers should resist devaluation, it adds.

Meanwhile, a claim that devaluation of the "green pound" would actually strengthen the value of the real pound through savings in costly food imports reducing Britain's balance of payments deficit, was made by Sir Richard Trehane, chairman of the Milk Marketing Board yesterday.

"This may look good business for the country in the short term, but I think it will bring disaster in the long term," Sir Richard tolds a news conference at the Dairy Farming Event at the National Agricultural Centre in Warwickshire.

He thought that devaluation should be made in stages of about 7 per cent. a time, otherwise the effect on food prices would be too dramatic. The first step should be made immediately.

● Reports that housewives would have to pay around 70p a lb for frozen turkeys at Christmas were dismissed by the Co-operative Wholesale Society yesterday as "totally unrealistic."

"We expect the price of Co-op label birds to be between 40p and 44p a lb at Christmas," a spokesman said.

U.S. estimate lifts soyabeans

BY OUR COMMODITIES STAFF

THE U.S. Department of Agriculture announcement of a cut in the U.S. soyabean crop estimate brought permissible limit rises in the Chicago soyabean and London soyabean meal markets yesterday.

The 1,250m. bushel soyabean crop indicated for the current season by the USDA on Tuesday compares with an earlier estimate of 1,274m. and is well below most trade expectations. In response, the London soyabean meal futures market opened with all positions near the £5 "limit up" level and only two 100-tonne lots were traded before the market closed for the statutory 30-minute break. At the close the December position was £8.90 up at £142.65 a tonne.

The rise on the London market was in anticipation of a substantial rise in Chicago and this was duly established soon after the opening there. Aggressive buying and an almost total absence of selling brought a 20 cents permissible limit rise in Chicago soyabeans in early dealings and traders reported that prices were holding at these levels during the morning.

Expecting a strong advance yesterday, U.S. farmers had withheld beans from the market overnight and the upward pressure had been encouraged by increased European demand.

Chicago soyabean product futures also opened with limit advances as did meal prices. But soyabean oil eased back slightly.

The USDA also estimated that the total wheat crop would be 2,130m. bushels, slightly less than last year's record crop. Progress by farmers in seeding winter wheat for next year's crop is meanwhile lagging behind previous years, the Department added. Dry soil held seeding to a minimum throughout most of the great plains states until mid-September rains came. Nationwide seeding was only 50 per cent. complete by October 3 compared with last year's 57 per cent. at that date. The historical average is 60 per cent.

The Department has cut its maize crop estimate by 27m. bushels to 5,855m., as expected, but this would still be a record.

Setback for cotton

WASHINGTON, Oct. 13.

U.S. COTTON production this year is forecast at 10,250,700 net weight bales of 480 lbs., down from the 10,375,400 bales forecast last month, the U.S. Agriculture Department's (USDA) Crop Reporting Board said.

But the forecast, based on October 1 conditions, is 23 per cent. above the 8,301,600 bales produced last year, it added.

The Board estimated production of upland cotton this year at 10,193,200 bales and output of American-Pima cotton at 57,500 bales. A month ago it forecast output at 10,318,200 and 57,200 bales, while last year's crop produced 8,247,100 and 54,500 bales respectively.

Average lint yield per harvested acre is forecast at 445 lbs, down from the 451 lbs estimated a month ago and from the 453 lbs yielded in 1975.

Cottonseed output from the 1976 cotton crop is estimated at 3.9m. short tons, down from 4m. tons projected a month ago, the Board said.

The estimate, based on October 1 conditions, compares with 3.03m. tons produced from the 1975 crop.

Reuter

World crop forecast hits sugar

By Our Commodities Staff

AN UNEXPECTEDLY high world 1976/77 sugar output forecast by statistician F. O. Licht pushed sugar prices lower yesterday. In his first estimate for the season Licht puts production at 87,961,000 tonnes (raw value) against last year's 81,823,000 tonnes. World beet output is put at 34,649,000 tonnes (32,511,000 in 1975/76) and cane production at 53,312,000 tonnes (49,312,000).

At the close the March futures price was only £1.675 down on balance at £141.1 a ton but before the Licht announcement it had climbed to £144 a ton.

In Rio de Janeiro, meanwhile, Brazilian Sugar Institute export director Alberico Teixeira Leite said Brazil will stay out of the world sugar market for new sales of raws until its next crop starts in June 1977. He said the decision followed an assessment of damage to the current crop in the centre-south because of excess rain.

● The EEC Commission sold 16,650 tonnes of white sugar at yesterday's weekly export tender, reports Reuter. Market sources said the sale had virtually no effect on sentiment as the figure was practically the same as last week's.

Sharp rise in copper output costs

By Our Commodities Editor

INCREASES IN copper production costs in most areas of 2 and 3 per cent. over and above any general rise in inflation, is forecast by Commodities Research Unit in a special study* just completed.

The study claims that even a price of over $1 a pound for primary copper would give no more than a modest return in new production units facing average costs. But it adds that because of the wide regional variations some ventures would continue to be attractive at lower prices levels.

It calculates that the primary copper industry faced rises in operating costs amounting to a massive 42 per cent. in 1975, due partly to the effects of the recession in demand on throughput levels.

Operating rates of only 76 per cent. in the industry as a whole were a crucial factor in the enormous rise in unit costs during the year, according to the study.

* *The costs of producing primary copper and future trends. Commodities Research Unit.*

CITRUS SUPPLIES

Labour pains for Spanish growers

BY A CORRESPONDENT

ON THE face of it, Spanish citrus producers and exporters, holding their breath before jumping into the 1976-77 season, should have more than average optimism—for the crop is estimated to be less than average in size.

Yet what looks—in times when plenty means loss and shortage means profit—a useful 10 per cent. drop in Spanish citrus production for the coming season is a dubious source of encouragement.

For Spanish growers and shippers have learned that the theme-song of the market place, supply and demand, exerts less influence on the fortunes of an export season than it used to.

Inflation

For one thing, Spain's relative importance as a supplier to Britain, especially since she entered the Common Market, has declined, giving other sources more influence over the seasonal picture. For another, factors that used to be proportioned and stable have swollen into caricatures of their former selves and can hardly be predicted a week ahead.

Of these, the price of labour is among the most crucial, made all the more unpredictable in the Spanish citrus scene because salaries are so much at the mercy of the wider phenomenon of inflation. The past docility of labour in Spain has left few reliable yardsticks for measuring the intensity and direction of current demands in this sector. Growers and exporters are throwing up their hands and declaring that the question of wages, which loom as an increasingly large item in production costs, is beyond control. Picking the fruit is an operation so dependent on timing that determination on the part of those relied on to carry it out can make them dictators, official restraints meaning less and less as strikes and other forms of pressure break disciplinary bonds.

What Spain's citrus industry can count on by way of Government subsidies, which have become huge in recent years, also remains, even on the season's threshold, an unknown. Some sarcasm has appeared in print about the illogicality of letting growers and exporters enter the season with only half a basis for conducting transactions.

Statistically, too, there are gaps, for while one respected journal declares that its private sources indicate a fall in this year's yield of satsumas, being picked, the National Citrus Commission says with enviable precision that there will be 6,200 tons more than in 1975-76.

Perhaps the most important variation in a crop that in round figures will come to about 3m. tons, with some 2m. tons for export, is an expected drop of 177,800 tons in the yield of navels.

The situation in other producing countries and conditions in export markets have assumed more importance as non-Spanish output rises, regional differentials develop in spending-power and such penalties and privileges as those attributable to the Common Market and its relationships affect trading patterns.

It is thought that Israel's citrus output will be slightly less than last year, though with more jaffas and fewer shamoutis and grapefruit.

Observers

Greece's exports are reckoned at 180,000 tons of oranges and lemons, an increase in the yield of new plantations being expected to make up for destruction of trees by hail last year. Greece's tendency to send more and more citrus to Common Market destinations must be watched too, Spanish industry warns.

Nothing much is known here about Italian prospects, though it has not escaped observers that substantial inducements have been announced in Italy for withholding fruit from the market and destroying it. Spain would like to see a strengthening of the lira, for if it weakens further exports will increase.

Overall, conditions in export markets are thought to be better for Spanish citrus exports this season than last; the most encouraging feature here being an expected 5 per cent. improvement in German growth rate. Signs of an upturn in the economies of Belgium and Holland are also hailed, but the continuing decline of the British pound is noted automatically, almost without comment.

Tea buffer stock opposed

BY OUR COMMODITIES STAFF

EXPORT QUOTAS represent the only realistic way of controlling the international tea market, the House of Lords select committee on commodity prices was told yesterday. Mr. J. D. Pigott, chairman of the Tea Trade Committee said the perishability of tea made the effective operation of a buffer stock impossible.

The Tea Trade Committee, represented by Mr. Pigott; Mr. A. F. Macdonald, the vice chairman, Mr. P. Banyard and Mr. J. C. Brock, said that with world wide consumption going up faster than production, supply and demand for tea had reached "reasonable" equilibrium.

They said the trade had not felt the need for a futures market because the existing auction system was satisfactory. In any case it was always possible to buy forward from producers, they added.

The Lords committee also received evidence from the coffee trade yesterday. Mr. D. W. H. Watson, chairman of the Coffee Trade Federation, told them that current coffee prices represented four or five times the real cost of production. He also noted that the International Coffee Agreement (ICA) had proved incapable of containing the rise in the way it had earlier discouraged excessive falls in coffee prices.

World rice output may be lower

THE COMMONWEALTH secretariat has forecast world paddy production for 1976-77 year at 340m. tons. Harvesting of the crop is under way in the Northern Hemisphere. The forecast for 1975-76 was 344m. tons.

The Secretariat says there has been a small increase in the harvest area, but growing conditions did not match those of the previous year.

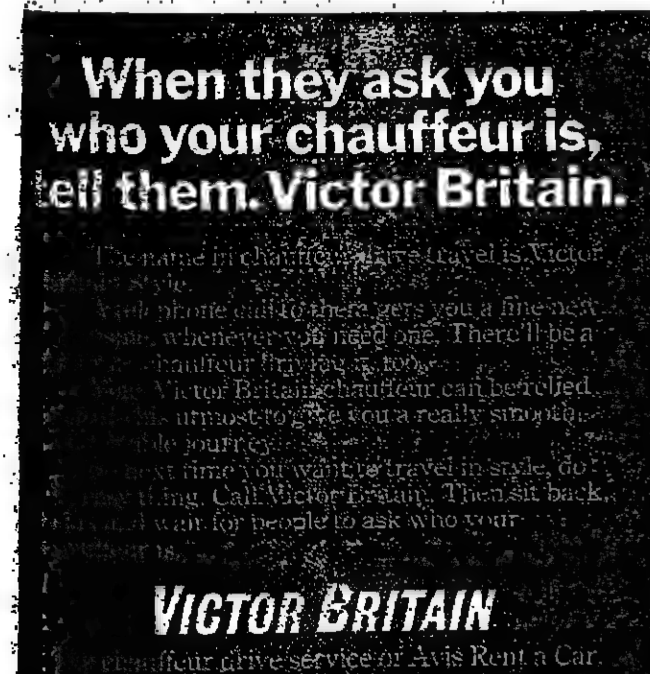
The UN Food and Agricultural Organisation has estimated 1976 rice exports at 7.3m. tons against 7.2m. in 1975, the Secretariat said.

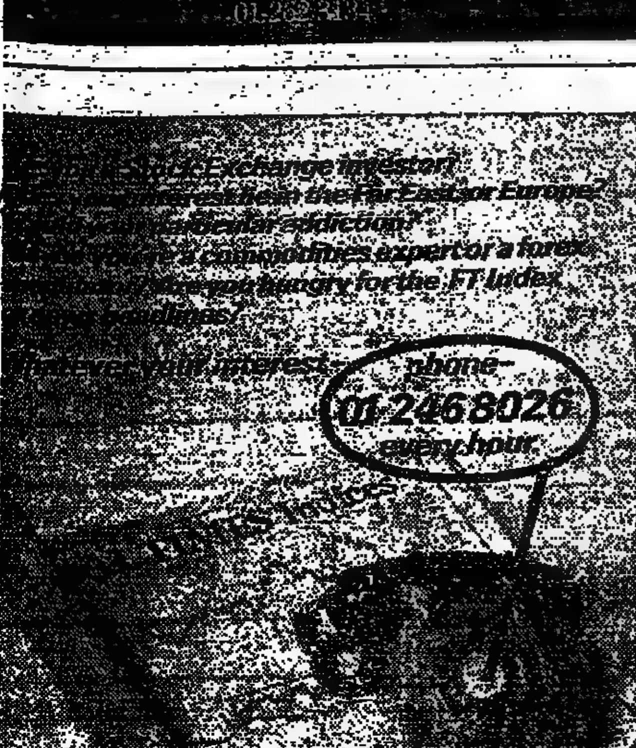
COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Firmer on the London Metal Exchange in the face of good trade buying, mainly from Continental sources. Forward metal opened at £778 and touched a high point in the morning of £788. But there was no follow-through and the price slipped to £786 ...

I.G. Index 01-351 3466 Three months Silver 263.6-266.4





COCOA

COFFEE

RUBBER

SILVER

GRAINS

FREIGHTS

SOYABEAN MEAL

SUGAR

WOOL FUTURES

MEAT/VEGETABLES

JUTE

COTTON

PRICE CHANGES

Prices per ton unless otherwise stated

	Oct. 13 1976	+ or —	Month ago
Metals			
Aluminium (a)	£579	......	£579
Free Market (cis)	$850-870	......	$955-975
Copper			
Cash Wire Bars (a)	£752.25	+2.25	£856.5
3 months do. do. (a)	£786.75	+2.0	£868.5
Cash Cathode (a)	£739	+5.0	£823.5
3 months do. do. (a)	£773.75	+5.75	£855.5
Gold ....Troy oz.	$114.875	+0.25	$111.5
Lead Cash (a)	£281.75	+7.5	£269.5
3 months (a)	£295.5	+7.75	£280.25
Nickel (a)	[illegible]	......	[illegible]
Free Market (cif) (lb)	$2.015	......	$2.05-.20
Platinum (troy oz.)	£105-118	......	£105-08½
Free Market	£94.8	+0.8	£90.15
Quicksilver (76lb) (a)	[illegible]	......	$85.90
Silver Troy oz.	255p	+2.65	239p
3 months	265.3p	+2.9	247p
Tin Cash (a) §	£4,862.5	+35.0	£4,487.5
3 months (a)	£5,012.5	+35.0	£4,610
Wolfram 22.04lb. cif	£74.5-76		£73½-75
Zinc Cash (a) §	£378	+1.75	£404
3 months (a)	£396.25	+2.25	£420.25
Producers (a)	$795	......	$795
Oils			
Coconut Malayan	‡	......	‡
Groundnut	£516	......	£466
Linseed Crude (a)	£460	......	£458
Palm Malayan (a)	$445	+12.0	$457.5
Soyabean (a)	‡		‡
Seeds			
Copra Philipp (a)	$557.5	+5.0	$545
Grnuts Nigerian	‡	......	
Linseed Can. No. 1	£208	......	£199.5
Grains			
Barley EEC	£78.5	—1.5	£80
Home Futures	£78.8	—0.2	£78.5
Maize			
French No. 3 Am.	£80.5	......	£79
S.A. Yellow	‡	......	‡
Wheat			
No. 1 Red Spring	‡	......	
No. 2 Hard Winter	£85.15	+2.5	£85.4
Australian (f.a.q.)	‡	......	
English Milling (a)	£87	+1.0	£86.5
Cocoa Shipment (a)	£1,702.5	+50.5	£1,568
Futures March	£1,653.5	+69.0	£1,546
Coffee shipment (c)			
Futures Jan. (a)	£1,865	+24.8	£1,616.5
Cotton "A" Index cent	86.5	+0.45	85.25
Jute LJABWC (d)	$382	......	$381
Rubber kilo	55.5p	—1.0	49p
Sisal BASL (a)	$600	......	$600
Sugar (Raw)	£150	—2.0	£120
Wooltops 64s. kilo	309p	......	276p
Cloves (Madagascar)	m£5,250	......	£6,250
Pepper White ...ton	£1,585	......	£1,250
Black ...ton	£1,290	......	£1,025

* Nominal. r Seller. ‡ Unquoted. § Unofficial close. ♣ Indicative price. q Seller's quotation. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b Mombasa U.S. cents a pound. d Bangladesh white "C." h Jan.-March ♦ Oct.-Dec. r Sept. ≡ Metric tons.

FINANCIAL TIMES

Oct. 13	Oct. 12	Month ago	Year ago
244.62	240.50	236.92	174.38

(Base: July 1 1952=100)

REUTER'S

Oct. 13	Oct. 12	Month ago	Year ago
1528.7	1525.3	1471.5	1137.5

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	Oct. 13	Oct. 12	Month ago	Year ago
Spot	348.45	343.37	341.61	[illegible]
Futures	350.63	346.67	344.55	282.97

MOODY'S

U.S. Markets

NEW YORK, Oct. 13.

PRECIOUS metals closed higher on mixed buying following higher grain market. Grains closed higher on trade and Commission House buying following a bullish USDA report. Coffee eased slightly on trade selling. Cocoa finished limit up on chartist buying, Bache reports.

Cocoa—Ghana spot 136½ nom. (132½ nom.). Bahia spot 131 nom. (127 nom.). Dec. 120.60 nom. (116.90), March 115.50 nom. (111.80), May 110.90 nom., July 106.65 nom., Sept. 103.00 nom., Dec. 955.5 nom., March nil. Sales: 1,416.

Coffee—"C" Contract: Dec. 176.70 (177.00), March 167.90-167.38 (168.05), May 165.50 bid, July 164.25, Sept. 162.25-162.50, Dec. 156.30-156.25, March nil. Sales: 717.

Copper—Oct. 56.50 (55.60), Nov. 56.00 (55.60), Dec. 57.10, Jan. 57.60, March 58.60, May 59.60, July 60.60, Sept. 61.60. Sales: 5,220.

Cotton—No. 2: Dec. 79.60-80.00 (80.31), March 80.50-80.60 (80.96), May 80.90-81.20, July 79.00-79.40, Oct. 71.35-71.50, Dec. 67.75, March 67.55 bid. Sales: 5,050.

*Gold—Oct. 114.80 (114.40), Nov. 114.80 (114.50), Dec. 115.00, Feb. 115.10, April 115.40, June 115.70, Aug. 116.30, Oct. 115.40, June 115.70, Aug. 116.30, Oct. 117.00, Dec. 117.70, Feb. 118.50. Sales: 760.

Greasewool—Spot 180.0 nom. (same). Oct. 172.5-182.0 (176.5), Dec. 177.5-184.0 (182.0), March 177.5-186.0 asked, May unquoted.

†Lard—Chicago loose 18.50 (18.00). NY prime steam 20.00 nom. (19.50 nom.).

†‡Maize—Dec. 275½-274½ (265½), March 283½-283 (275), May 288½-288½, July 291½-291½, Sept. 284, Dec. 274½.

‡Platinum—Oct. 155.60 (154.80), Jan. 158.70 (157.50), April 161.50, July 164.80, Oct. 169.00, Jan. 171.50. Sales: 372.

‡‡Silver—Spot 421.50 (415.00), Oct. 421.30 (416.00), Nov. 422.50 (417.20), Dec. 423.90, Jan. 425.10, March 429.30, May 433.60, July 437.60, Sept. 442.60, Dec. 450.00, Jan. 452.50. Sales: 7,300.

GRIMSBY FISH—Supply moderate, demand good.

STOCK EXCHANGE REPORT

Markets fluctuate in nervous trading conditions

Share index 1.7 down at 291.9—Teacher (Distillers) jump

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Oct. 4	Oct. 14	Oct. 15	Oct. 26
Oct. 18	Oct. 28	Oct. 29	Nov. 9
Nov. 1	Nov. 11	Nov. 12	Nov. 23

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Stock markets were in a highly sensitive state yesterday on fears about the September trade figures, due to be announced to-day, coupled with news that the miners' demand for retirement at 55 on full pay had been lodged. The development in the late afternoon of rumours that senior Press men had been summoned to a special meeting by the Chancellor of the Exchequer also created a great deal of uncertainty. After opening 2 or 3 pence lower, leading equities rallied on renewed bear closing and a loss of 2.3 in the FT 30-share index at 10 a.m. was turned into a modest gain of 0.6 by 11 a.m. Thereafter, the undertone became distinctly nervous and prices fluctuated in extremely thin trading conditions; the index ended the day with a fall of 1.7 at 291.9.

British Funds failed to hold on to early small improvements, with long-dated stocks reverting to overnight closing levels after showing initial gains of ⅛, while the shorts finished with losses ranging to ¼. The Government Securities index shed 0.05 to 56.77.

A rather drab day in second-line issues was highlighted by a jump of 128 to 368p in Teacher (Distillers) on news of the bid from Allied Breweries. This prompted demand for other Distillery shares and was reflected in a rise of 2.2 per cent. to 137.47 in the FT-Actuaries Wines and Spirits index. Elsewhere, Oils were good again under the lead of British Petroleum, up 23 more at 603p on the upward revision in the rate of production from its Forties Field. Overall, price movements were mixed, but prices had the edge over falls by 4-3 in FT-quoted Industrials. The FT-Actuaries All-Share index rose 0.3 per cent. to 122.76.

Short tap bought

The main feature of British Funds was provided by the short tap stock. Treasury 11½ per cent., 1979 "A," which was reactivated at 93¾ and encountered a fair demand before falling back to close $\frac{3}{16}$ down on balance at 93$\frac{9}{16}$. Other short-dated issues followed the tap and closed with similar losses after showing early small improvements. Once again, long-dated stocks passed an uninteresting session, closing unaltered after hardening by ⅛ initially.

The dollar premium was again volatile yesterday, although actual trade in investment currency was only modest with institutions inclined to hold off after Tuesday's buying. The premium moved between extremes of 116¾ per cent. and 123 per cent. before closing a net 3½ points higher at 121¾ per cent. Yesterday SE conversion factor was 0.7103 (0.7244).

Mirroring a firmer opening on Wall Street, American Medical International rallied 21 to 886p. Elsewhere in Recent Issues, Thos. Borthwick shed a penny to a fresh low of 58p.

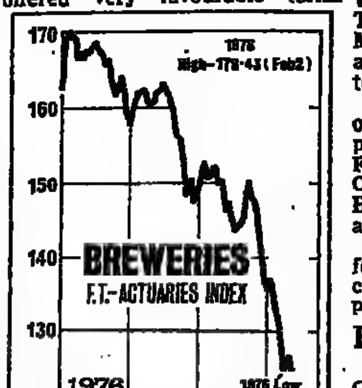
HK & Shanghai better

Tuesday's technical rally proved short-lived for the big four Banks which turned down on lack of support. Barclays and Midland both reacted 5 to a common level of 215p, while National Westminster were 3 lower at 187p; Lloyds attempted to go better and touched 173p initially but ran back to close unaltered at 170p. Overseas issues managed to improve, particularly Hongkong and Shanghai which rallied 17 to 310p. Bank of New South Wales picked up 5 to 495p with the "New" nil-paid 9 higher at 127p pm.

Insurances displayed no set trend after a moderate business. Sedgwick Forbes eased 3 to 180p and C. E. Heath were 2 lower at 320p but Eagle Star edged forward a penny to 87p.

Teacher jump on bid

After Tuesday's suspension, dealings in Teacher (Distillers) were resumed yesterday following the disclosure that Allied Breweries is the company involved in bid discussions and had, in fact, offered very favourable terms worth around 420p per share; opening at around 380p compared with a pre-suspension level of 240p. Teacher then traded within a price range of 370p to 375p before closing the day 128 higher at 368p; the 5 per cent. Preference shares were marked up 10 to 64p in response to Allied's cash offer of 65p. This development sparked off quite a lot of interest in Allied which drifted gently down to close 4 off at a 1976 low of 48½p putting an eventual price tag of 388p per share on Teachers. Other Distillery issues also had their speculative supporters and Arthur Bell gained 5 to 122p, after 124p, as did Macallan Glenlivet to 90p, while Highland put on 4 to 86p. Tollemache and Cobbold also attracted a fair amount of support on bid hopes and went ahead to finish 16 up at a 1976 high of 123p.



Interest in Buildings was again modest and price-movements were generally limited to a penny or two either way. F. J. C. Lilley closed a penny off at 23p despite increased first-half profits, while G. Dew, 52p, and JCEG, 31p, shed 3 apiece. International Paint contrasted with a revival of 10 to 230p, while SGB, 61p, and Taylor Woodrow, 196p, put on 3 apiece. Timbers were again out of favour, May and Hassell losing 4 to 50p and James Latham declining 5 to 105p.

After moving between extremes of 275p and 280p, ICI closed a penny better on balance at 279p. Fisons hardened 3 to 248p, while Overseas issues had Akzo and Hoechst both 10 higher at 975p and 470p respectively.

HTV moved up a penny to 37p following the chairman's encouraging statement on the company's future.

Empire Stores react

Empire Stores featured Mail Orders, closing 4 cheaper at 58p, after 57p, following the interim figures which failed to come up to market expectations. Grattan Warehouses declined 4 to 66p. Stores rallied from initial weakness to close little changed. Marks and Spencer performed typically, closing a penny off at 75p, after 73p. W. H. Smith "A" with interim results due on November 11, reacted 4 to a 1976 low of 266p. Other dull spots included Martin the Newsagent 5 cheaper at 89p.

Electricals were looking better in the late trade. EMI were finally unchanged at 180p, after 178p, while GEC, 120p, and BICC, 84p, both closed around 2 better on balance. Among secondary issues, Bowthorpe eased a penny to 30p following Press comment on the interim results. Electrocomponents gave up 4 to 80p, but Henry Wigfall closed a like amount better at 84p. Pressac, at 25p, were steady in front of to-day's preliminary figures.

Secondary issues provided the main interest in Engineerings. Up 4 on Tuesday following a revival of speculative buying, Desoutter were already another 12 higher at 105p yesterday when it was disclosed that the company was the target of a merger proposal from CompAir; in busy trading, the shares were rushed up to 135p before closing 32 higher on the day at 125p. CompAir ended 2½ down at 52p, after 51½p. Hunt and Moscrop improved 1½ to 14p on the higher profits, while Press comment on Monday's interim performance prompted a gain of 6 to 120p in Spirax-Sarco. Fairey edged forward a shade to 49½p on Press comment and improvements of 3 were seen in Acrow "A," 48p, and Weyburn, 264p. By way of contrast, Edbro shed 4 to 96p despite an investment recommendation, while Wolseley Hughes remained friendless, losing 4 more to 82p. Following Tuesday's technical rally, the leaders gave a disappointing performance with GKN shedding 4 to 236p, after 234p, and Tube Investments ending 2 down at 252p, after 248p. Hawker, with interim results due next Tuesday, touched 338p but rallied to close unchanged at the overnight level of 342p.

Movements of any significance were few and far between in Foods, but J. Lyons edged up 2 to 44p. Associated Biscuit, at 50p, recouped a penny of the previous day's loss of 7 which followed the interim statement. Joseph Stocks moved up 5 to 83p, while gains of 3 were seen in J. E. Sanger, 44p, and FMC, 34p. Sidney C. Banks, at 48p, made no apparent response to the preliminary figures. Supermarkets had a firmer inclination, Tesco closing marginally better at 27½p and Lennons finishing a penny harder at 24p. Hotels and Caterers had Norfolk Capital a penny up at 6p.

Brit. Indust. down

Early falls in the Industrial miscellaneous leaders were largely recovered by the close. Glaxo, which has been a particularly good market since Monday evening's announcement of excellent profits, opened higher at 303p, but fell back to 295p before hardening again to close without alteration at 300p. Beecham ended 2 better at 292p, after 288p, but Boots gave up 2 at 86p, after 85p. Among secondary issues, British Industrial came on offer with sellers appearing to be nervous about the forthcoming results; after dipping to 31p, the shares rallied to 35p for a net fall of 4½. Company trading statements were receiving a little more attention in the quieter conditions ruling. The sharp jump in profits for the first half-year put Christies International 2 up at 55p, while E. Fogarty recouped 4 at 57p on the good interim results. Increased interim profits helped Stag Furniture, a penny better at 46p, while better-than-expected annual profits lifted Kalamazoo 1½ to 18p. Satisfactory annual figures put Silverthorne up by 1 at 8½p, but failed to help Thos. French, a penny lower at 43p. The chairman's encouraging statement at the annual meeting raised AGB Research 2 at 28p. Dollar premium influences left Broken Hill Proprietary 15 up at 715p, Jardine Matheson 24 to the good at 288p, and Rennies Consolidated 5 higher at 97p.

Henlys continued to figure prominently in Motors and Distributors, rising 4 to 62p for a two-day gain of 6½ on vague bid speculation. Heron Motors, which has recently acquired a substantial shareholding in Henlys, closed a penny firmer at 26p. Pennine Motor finished fractionally better at 4½ following disclosure of a reduced loss, while Commercial Vehicles had York Trailer and Plaxtons (Scarborough) 2 better at 25p and 80p respectively. Lucas Industries, however, were finally a penny off at 145p, after 142p, while losses of around 4 were seen in F. G. Gates, 23p, and H. Perry, 64p.

Thomson Organisation, still reflecting its North Sea oil interests, continued to dominate proceedings in Newspapers/Papers, improving to close 7 higher at 264p for a two-day gain of 18.

BP feature again

Still benefiting from news that production from the North Sea Forties field will, by the end of 1977, be raised by 25 per cent. over past projections, British Petroleum jumped further ahead by 23 to the day's best of 603p; yesterday's demand was mainly from London. Other Oils were closing at, or near, the day's best, with Shell 8 higher at 366p, and Royal Dutch, mainly in reflection of the firmer dollar premium, ⅜ up at £38. LASMO/SCOT issues hardened 3 more to 253p, after 255p, while Ultramar closed 2 up at 108p, after 110p, and Tricentrol a penny firmer at 63p, after 64p. Berry Wiggins continued firmly, also being a penny higher at 17p. The half-year financial statement from Burmah, however, was regarded as disappointing and the shares closed unaltered at 30p, after 29p.

Properties were quiet, with price movements narrowly mixed. Land Securities hardened to 102p before ending unaltered on balance at 100p. MEPC, however, shed 2 to 34p, but Bernard Sunley gained that amount to 72p. Among secondary issues, Warnford Investment took Tuesday's rally a stage further at 135p, up another 10. Dollar premium influences helped Hong Kong Land, 4 up at 116p.

Following Tuesday's jump of 9 on news that bid talks were taking place with The National Sugar Company of Jamaica, Jamaica Sugar shed 1 to 25p. Other Overseas Traders tended better with the exception of Booker McConnell, 3 down at 102p.

Investment Trusts were easier for choice with Estate Duties friendless at 169p, down 6 in a thin market. Derby Trust gave up 4 to 126p and R. P. Martin lost 5 at 47p.

After a fairly busy morning session, interest waned considerably in Shippings and prices at the close were easier. Furness Withy were standing at a 1976 low of 141p when news that the group had sold its shares in Economic Insurance to l'Alsacienne Group of Strasbourg prompted a rally and the close was only a penny off at 144p. P and O Deferred were similarly easier at 97p, while losses of 3 and 5 respectively were seen in Sheaf Steam, 74p, and Lyle, 163p.

Textiles and Tobaccos had little to commend them. Courtaulds eased a penny to 91p, after 90p, while Slimma held steady at 45p in front of to-day's preliminary results. BATs Ordinary and Deferred edged forward 2 to 250p and 200p respectively.

South African Industrials had an easier bias, Abercom Investments losing 4 to 146p and Hulett's declining 5 to 100p.

Rubbers edged forward in places. Guthrie rallied 5 more to 159p, after 160p, while Consolidated Plantations and Golden Hope both put on 1½ to 73p and 72p respectively.

Golds ease afresh

South African Gold shares [illegible] ground for the fourth [illegible] tive trading day reflecting continued uninspiring [illegible] ance of the bullion price [illegible] the latter moved ahead [illegible] dealings to close 25 cents [illegible] $114.875 per ounce.

Share prices fell away from the outset on modest offerings [illegible] the Cape and general [illegible] interest, but tended to [illegible] slightly in later dealings [illegible] ing a small U.S. demand [illegible] late upward movement of [illegible] vestment currency premium [illegible] so, the Gold Mines index [illegible] off at 105.0, a four-day [illegible] 13.2.

Among the heavyweights Randfontein closed ½ lower [illegible] in front of the increased [illegible] terly profits. West Drie [illegible] gave up ½ to £15¾. Of the [illegible] priced stocks, Harmony [illegible] 25 to 200p following the [illegible] reduced quarterly profits.

A good two-way business [illegible] reported in "Sallies," while [illegible] to 40p ex-rights, before [illegible] to close 7 down at 46p [illegible] "new" shares opened at [illegible] premium and dropped [illegible] premium before closing [illegible] premium.

Financials were mixed [illegible] firmation of the mech [illegible] troubles at the Rossing ur [illegible] mine in South-West Afri [illegible] Rio Tinto-Zinc a penny eas [illegible] 145p, while consideration of [illegible] lower full year earnings o [illegible] Gold Fields to ease a [illegible] amount to a year's low of [illegible]

The late improvement in [illegible] premium enabled Australia [illegible] end the day barely changed [illegible] pite the further weakness [illegible] overnight home markets. [illegible] Wallsend, however, lost 30 to [illegible] Elsewhere, Cape offe [illegible] prompted a fall of 40 in Marc [illegible] to 580p.

FINANCIAL TIMES STOCK INDICES

	Oct. 13	Oct. 12	Oct. 11	Oct. 8	Oct. 7	Oct. 6
Government Secs.	56.77	56.82	56.75	56.77	57.28	58.60
Fixed Interest	58.58	58.47	58.51	58.28	58.48	58.85
Industrial Ordinary	291.9	293.6	289.1	292.7	296.0	310.8
Gold Mines	105.0	108.6	110.5	115.2	118.2	114.8
Ord. Div. Yield	7.67	7.65	7.81	7.63	7.55	7.24
Earnings Y'ld % (full)	23.17	23.11	23.50	22.87	22.50	[illegible]
P/E Ratio (net) (*)	6.38	6.39	6.36	6.51	6.63	6.90
Dealings marked	5,618	4,616	5,620	5,272	4,090	5,012
Equity turnover £m.	—	54.93	45.98	58.66	54.59	60.08
Equity bargains total	—	12,149	12,146	14,926	11,561	11,404

10 a.m. 291.2. 11 a.m. 294.2. Noon 292.7. 1 p.m. 292.2. 2 p.m. 292.2. 3 p.m. 291.8.

Latest index 01-246 8026.

* Based on 52 per cent. corporation tax. (b) Nil=6.31.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	66.24 (30/1)	56.73 (11/10)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	[illegible] (2/8)	56.28 (8/10)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	420.6 (4/5)	286.1 (11/10)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1)	79.8 (25/8)	442.3 (22/5/75)	42.5 (26/10/71)

S.E. ACTIVITY

	Oct. 13
Daily—	
Gilt-Edged	215.5
Industrials	179.0
Speculative	39.7
Totals	127.2
5-day Av'r'ge—	
Gilt-Edged	205.5
Industrials	168.0
Speculative	38.9
Totals	120.5

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed. Oct. 13, 1976 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Tues. Oct. 12 Index No.	Mon. Oct. 11 Index No.	Friday Oct. 8 Index No.	Thurs. Oct. 7 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	108.59	−0.4	24.04	8.57	5.16	6.19	108.98	108.53	109.28	114.17	126.01	160.06 (21/4)	108.53 (11/10)	206.57 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	95.72	−0.3	25.72	10.01	5.35	5.35	95.96	95.52	95.70	101.74	125.21	150.18 (15/1)	95.32 (11/10)	255.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	140.65	+0.2	29.99	7.02	5.13	5.13	140.40	137.49	140.86	150.47	227.57	260.20 (16/1)	137.49 (11/10)	329.55 (19/5/72)	71.48 (2/12/74)
4	Electricals (16)	202.55	−0.2	21.84	5.56	5.64	6.03	202.89	202.66	205.82	211.03	219.70	237.50 (21/4)	202.58 (13/10)	350.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (13)	130.84	−0.8	35.20	9.51	4.16	4.10	131.91	130.45	131.78	136.24	148.44	193.18 (3/5)	130.45 (11/10)	202.57 (6/6/73)	64.39 (2/1/75)
6	Engineering (General) (64)	101.30	−0.7	24.02	9.03	6.16	6.15	102.18	101.67	102.30	106.24	108.46	149.29 (3/5)	101.50 (13/10)	169.59 (4/5/72)	45.43 (6/1/75)
7	Machine and Other Tools (9)	47.22	+2.9	19.07	9.41	7.49	7.47	45.90	45.29	45.72	47.44	45.12	60.62 (3/5)	45.29 (11/10)	136.70 (4/7/65)	19.96 (13/12/74)
8	Miscellaneous (24)	96.28	−0.5	21.76	9.52	5.76	5.69	96.79	98.27	98.66	102.59	107.12	141.94 (11/5)	96.28 (13/10)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (53)	88.55	+0.7	26.05	7.89	5.76	5.75	87.96	86.75	87.45	92.75	101.17	141.46 (21/4)	86.75 (11/10)	227.73 (21/4/72)	58.39 (6/1/75)
10	Lt. Electronics, Radio TV (15)	93.94	+1.0	25.45	6.20	5.80	5.78	93.02	92.20	93.01	97.91	118.15	160.35 (7/4)	92.20 (11/10)	257.41 (19/5/72)	42.65 (13/12/74)
11	Household Goods (13)	114.95	+0.1	26.62	10.40	5.95	5.93	114.84	114.18	115.22	124.29	183.37	187.22 (7/4)	114.18 (11/10)	265.22 (4/5/72)	65.92 (17/12/74)
12	Motors and Distributors (25)	58.49	+0.4	26.99	9.54	5.66	5.66	58.24	56.89	57.10	60.98	58.74	85.16 (3/5)	56.89 (11/10)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (169)	111.79	−0.1	20.05	8.63	7.54	7.47	111.91	110.58	110.95	116.18	139.69	162.24 (4/3)	110.58 (11/10)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (15)	124.22	−1.7	19.05	9.16	7.06	7.06	126.36	124.90	124.21	130.00	160.15	172.43 (2/2)	124.21 (8/10)	281.87 (27/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	137.47	+2.2	17.21	7.87	8.95	8.93	134.56	132.21	131.59	136.09	144.29	190.67 (5/6)	131.59 (8/10)	257.40 (13/7/72)	78.88 (13/12/74)
16	Entertainment, Catering (14)	130.67	−0.3	20.41	10.26	7.57	7.50	130.92	127.64	127.16	133.67	161.50	172.26 (2/3)	127.16 (8/10)	329.99 (12/12/72)	54.83 (9/1/75)
17	Food Manufacturing (23)	125.51	+0.4	22.54	7.26	6.73	6.69	125.05	126.10	125.88	129.51	150.81	179.44 (11/5)	125.05 (12/10)	211.66 (1/5/72)	59.67 (11/12/74)
18	Food Retailing (16)	100.69	+1.2	18.52	7.77	7.90	7.90	99.53	98.32	98.11	104.22	144.15	150.05 (12/1)	98.11 (8/10)	235.06 (16/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (16)	152.49	+2.7	16.42	6.98	9.22	9.22	148.46	148.64	149.06	156.04	137.85	184.34 (11/3)	148.46 (12/10)	260.29 (18/1/73)	55.08 (6/1/75)
20	Packaging and Paper (12)	79.45	−0.4	19.35	9.95	7.94	7.94	79.71	79.08	79.57	82.07	93.05	112.50 (28/2)	79.08 (11/10)	135.69 (28/4/72)	48.46 (6/1/75)
21	Stores (34)	83.59	−1.4	18.26	8.39	8.43	8.42	84.75	83.97	85.12	88.54	120.89	138.24 (3/5)	83.59 (13/10)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (23)	109.62	−1.0	17.12	10.52	8.85	7.86	110.71	108.89	110.38	115.69	145.01	165.24 (30/1)	108.89 (11/10)	235.72 (17/1/69)	62.66 (11/12/74)
23	Tobaccos (3)	185.44	+0.8	23.63	9.31	5.30	5.30	183.95	179.40	177.91	181.94	196.60	241.89 (3/5)	177.91 (8/10)	359.16 (3/3/73)	94.34 (13/6/62)
24	Toys and Games (6)	61.14	+1.2	26.42	10.35	5.06	5.06	60.41	60.52	61.66	64.22	69.62	80.95 (16/7)	59.15 (22/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (95)															
25	Chemicals (26)	162.81	−0.1	19.42	7.07	7.04	7.04	162.93	161.87	165.34	170.96	176.05	231.58 (5/5)	161.87 (11/10)	231.58 (5/5/76)	71.20 (1/12/74)
26	Office Equipment (9)	64.51	−1.1	18.65	8.17	7.85	7.83	65.25	66.89	66.06	69.99	82.20	100.18 (13/6)	64.51 (13/10)	246.06 (1/9/72)	45.34 (3/1/75)
27	Shipping (12)	315.51	−1.0	15.65	8.54	9.10	8.22	316.63	315.16	315.30	326.62	371.08	452.64 (30/1)	315.16 (11/10)	517.00 (11/12/72)	90.80 (29/6/62)
28	Miscellaneous (48)	116.15	+0.7	19.71	9.95	7.62	7.62	117.56	116.38	116.65	122.62	144.00	172.96 (21/4)	116.38 (11/10)	258.85 (25/7/72)	60.69 (6/1/75)
29	INDUSTRIAL GROUP (496)	114.72	−0.1	21.06	8.45	7.02	6.98	114.85	113.87	114.42	119.42	137.02	165.68 (3/5)	113.87 (11/10)	220.17 (16/5/72)	59.01 (13/12/74)
30	OILS (4)	332.00	+3.2	12.83	5.28	9.05	8.31	321.75	315.67	323.42	320.77	319.69	395.84 (20/5)	315.67 (11/10)	451.68 (25/5/68)	87.23 (29/5/62)
31	500 SHARE INDEX	132.13	+0.5	19.52	7.84	7.52	7.20	131.47	130.12	131.21	135.70	152.14	165.00 (3/5)	130.12 (11/10)	227.95 (16/8/72)	64.49 (13/12/74)
32	FINANCIAL GROUP (100)	94.45	−0.4	—	8.44	—	—	94.84	93.14	94.07	98.61	133.25	153.46 (30/1)	93.14 (11/10)	241.41 (1/5/72)	55.88 (13/12/74)
33	Banks (6)	122.37	−1.4	27.64	7.51	5.57	5.57	124.07	120.05	122.44	123.91	162.28	192.16 (29/1)	120.05 (11/10)	288.52 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	115.11	+0.1	—	12.32	—	—	112.95	111.00	109.48	115.17	151.08	186.52 (13/1)	109.48 (8/10)	293.18 (26/7/72)	81.43 (10/12/74)
35	Hire Purchase (5)	57.91	−1.5	12.49	11.52	15.62	17.62	58.78	56.76	57.88	62.29	95.70	152.10 (26/2)	56.76 (11/10)	433.74 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (10)	78.70	—	—	9.61	—	—	78.67	77.80	78.25	81.14	116.33	129.46 (30/1)	77.80 (11/10)	194.46 (16/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	75.82	−0.1	—	9.75	—	—	75.91	75.22	75.06	79.97	108.44	119.75 (30/1)	75.05 (8/10)	158.76 (21/4/72)	43.96 (13/12/74)
38	Insurance Brokers (9)	184.99	−0.6	15.14	7.46	9.89	9.89	186.02	185.46	191.74	202.04	209.12	276.90 (11/5)	184.99 (13/10)	276.90 (11/5/76)	65.86 (16/12/74)
39	Merchant Banks (15)	47.42	—	—	11.73	—	—	47.41	47.22	47.16	50.08	67.53	93.63 (2/1)	47.16 (8/10)	278.57 (1/5/72)	31.21 (6/1/75)
40	Property (32)	104.29	+0.7	5.79	5.25	31.37	29.56	103.57	101.12	102.12	112.23	158.76	194.57 (30/1)	101.12 (11/10)	357.40 (3/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	58.97	+0.6	23.25	14.12	6.49	6.49	58.64	61.64	60.49	63.40	69.80	91.98 (3/2)	58.64 (12/10)	303.18 (18/5/72)	35.29 (17/12/74)
42	Investment Trusts (50)	122.40	−0.7	4.38	6.20	23.62	23.62	123.22	124.54	127.58	134.47	162.80	184.55 (30/1)	122.40 (13/10)	246.79 (25/4/72)	71.65 (13/12/74)
43	ALL-SHARE INDEX (650)	122.76	+0.3	—	7.85	—	—	122.41	121.14	122.29	126.88	147.76	172.64 (3/5)	121.14 (11/10)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	485.04	+3.9	9.71	5.78	14.96	13.86	467.02	463.17	470.82	473.44	362.83	525.40 (7/5)	404.57 (15/1)	555.87 (22/7/76)	84.68 (25/8/65)
45	Teas (8)	127.47	—	31.96	9.51	4.16	4.06	127.47	127.32	127.32	130.06	105.16	142.43 (6/7)	117.89 (7/1)	148.46 (6/7/76)	59.72 (17/10/74)
46	Coppers (3)	167.55	+3.1	38.67	6.68	2.39	2.59	162.49	160.01	189.61	192.63	283.44	301.47 (7/1)	162.49 (12/10)	567.78 (15/7/73)	94.08 (23/4/62)
47	Mining Finance (11)	77.61	−1.2	13.44	6.46	8.37	8.31	78.56	80.02	83.23	85.57	109.82	119.77 (7/1)	77.61 (13/10)	175.80 (2/4/69)	66.31 (13/12/74)
48	Tins (7)	124.83	+4.0	11.31	7.75	13.60	13.50	120.02	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49	Overseas Traders (13)	184.00	+0.2	18.23	7.44	7.42	7.42	183.62	183.88	186.61	195.09	209.60	[illegible]	[illegible]	[illegible]	[illegible]

	FIXED INTEREST	Wed. Oct. 13 Index	Yield %	Tuesday Oct. 12	Monday Oct. 11	Friday Oct. 8	Thurs. Oct. 7	Wed. Oct. 6	Tuesday Oct. 5	Monday Oct. 4	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	15.56	15.53	15.55	15.53	15.40	15.05	14.93	14.95	14.75				
2	20-yr. Govt. Stocks (6)	42.86	15.04	42.87	42.69	42.90	43.38	44.60	45.07	45.48	[illegible]	53.45	42.69	115.62	38.27
3	20-yr. Red. Deb. & Loans (15)	44.01	16.66	44.01	44.05	43.80	44.48	46.37	46.61	46.53	46.90	53.70	43.84	114.55	47.01
4	Investment Trust Prefs. (15)	41.59	16.72	41.60	42.03	41.78	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	Coml. and Indl. Prefs. (20)	56.28	17.52	55.13	55.01	54.89	55.64	60.01	60.65	60.85	62.36	[illegible]	[illegible]	[illegible]	[illegible]

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Insurance Brokers	29/12/67	96.67
Engineering (Heavy)	31/12/71	153.84	Mining Finance	29/12/67	100.00
Engineering (General)	31/12/71	153.84	All Other	10/4/62	100.00
Wines and Spirits	16/1/70	128.06			
Toys and Games	16/1/70	135.72			
Office Equipment	16/1/70	153.84			
Industrial Group	31/12/70	128.20			
Miscellaneous Financial	31/12/70	128.06			
Food Manufacturing	29/12/67	114.13			
Food Retailing	29/12/67	114.13			

† Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an ICL 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 20p. A record of the indices, cost £30, is obtainable from FT Business Enterprises, [illegible]

CONSTITUENT CHANGE: [illegible] deleted from Teas.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
Shell Transport	25p	16	366	+ 8	462	332
BP	£1	15	603	+ 23	685	537
BATs Defd.	25p	13	200	+ 2	225	183
ICI	£1	12	279	+ 1	402	274
Beecham	25p	10	292	+ 2	390	284
Cons. Gold Fields	25p	10	127	− 1	220	127
Marks & Spencer	25p	10	75	− 1	108	73
Commercial Union	25p	9	85	− 1	138	82
GEC	25p	9	120	+ 2	168	114
GKN	£1	9	236	− 4	380	228
P & O Defd.	£1	9	97	− 1	110	87
Allied Breweries	25p	8	48½	− 4	77	48½
Courtaulds	25p	8	91	− 1	160	88
Glaxo	50p	8	300	—	422	280
Nat. Westminster	£1	8	187	− 3	272	180

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (c)

Option Report—3-month Call Rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Oct. 12	Oct. 25	Jan. 13	Jan. 25
Oct. 26	Nov. 8	Jan. 27	Feb. 8
Nov. 9	Nov. 22	Feb. 10	Feb. 22

Calls were dealt in J. Lyons, Grand Metropolitan, ICI, Morgan Grampian, Lonrho, Cons. Gold Fields, Burmah Oil, Barclays Bank, BOC International, Swan Hunter, Tollemache Cobbold, Dunford and Elliott, J. Bibby, British Vita, Courtaulds, Dunlop, Fairey, Granada "A," House of Fraser, Leslie and Godwin, Land Securities, MEPC, Metal Box, Charterhall Finance and Shell Transport. Puts were done in English Property and BP, while doubles were arranged in Marley, BP, David Charles, National Westminster Bank Warrants, J. Lyons, Boots, Babcock and Wilcox, ICI and Charterhall Finance.

Industrials		E.M.I.	17	Midland Bank	22	Cap. Counties	5
A. Brew	6½	Fitch Lovell	6	Nat. West Bank	20	E.P.	5
A. P. Cement	15	Gen. Accident	12	"Do" Warrants	7½	Int. Europe	7
Assoc. Leisure	5	Gen. Electric	15	P & O Dfd.	11	Land Securities	14
BSR	9	Glaxo	35	Plessey	7	MEPC	7
Babcock	8	Grand Met.	7	R.H.M.	5	Peachey	6
Barclays Bank	22	G.U.S. 'A'	16	Rank Org. 'A'	18	Samuel Props.	4½
Berry Wiggins	5	Guardian	10	Reed Int'l	25	Town & City	2½
Beecham	25	G.K.N.	25	Reyrolle	11		
Boots Drug	12	Hawker Siddeley	35	Rothmans	4	Oils	
Bowater	16	House of Fraser	8	Slater Walker	4	Brit. Petroleum	40
B.A.T.	21	I.C.I.	20	Spillers	[illegible]	Burmah Oil	4½
British Leyland	5	"Imps"	7	Tesco	4	Shell	27
BOC Intl.	8½	I.C.L.	14	Thorn 'A'	22	Ultramar	14
Brown (J.)	9	Inveresk	7	Trust Houses	5		
Burton 'A'	6½	Legal & General	12	Tube Invest.	7	Mines	
Cadbury	5	Ladbroke	11	Unilever	50	Charter Cons.	15
Cavenham	10	Lex Service	3½	Utd. Drapery	8	Chart'hall Fin.	4
Courtaulds	11	Lloyds Bank	22	Vickers	15	Cons. Gold	15
Debenhams	8	"Lots"	4	Williams Hud'n	4	Hampton Areas	12
Distillers	13	London Brick	4½	Woolworths	5	Lonrho	19
Dunlop	7½	Lucas Inds.	20			Rio T. Zinc	18
Eagle Star	11	"Mams"	7	Property		Western M'ng.	[illegible]
		Marks & Sp'ncer	8	Brit. Land	3½		

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (4)

BEERS (2)

Teachers — Tollemache Cobbold

ENGINEERING (1)

Desoutter

RUBBERS (1)

London Asiatic

NEW LOWS (213)

BRITISH FUNDS (2) — CORPORATION LOANS (1) — FOREIGN BONDS (1) — BANKS (1) — BEERS (4) — BUILDINGS (20) — CHEMICALS (8) — DRAPERY & STORES (8) — ELECTRICALS (5) — ENGINEERING (22) — FOODS (11) — INDUSTRIALS (23) — INSURANCE (4) — MOTORS (5) — PAPER & PRINTING (7) — PROPERTY (4) — SHIPPING (5) — SOUTH AFRICANS (1) — TRUSTS (55) — OILS (2) — OVERSEAS TRADERS (3) — MINES (3)

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	[illegible]	[illegible]	[illegible]
Corpns. Dom. and Foreign Bonds	[illegible]	[illegible]	[illegible]
Industrials	[illegible]	[illegible]	[illegible]
Financial and Props.	[illegible]	[illegible]	[illegible]
Oils	[illegible]	[illegible]	[illegible]
Plantations	[illegible]	[illegible]	[illegible]
Mines	[illegible]	[illegible]	[illegible]
Recent Issues	[illegible]	[illegible]	[illegible]
Totals	[illegible]	[illegible]	[illegible]

Hoteliers urged to use grants

THE ENGLISH Tourist Board is urging hoteliers in the development areas to take advantage of Government grants to improve their premises.

In particular, the Board is keen to help towards the cost of improvements which normally do not require planning permission, and which could be carried out in winter.

BASE LENDING RATES

Allied Irish Banks Ltd.
American Express Bank
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Bank of Cyprus
Bank of N.S.W.
Banque du Rhone S.A.
Barclays Bank
Barnett Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Canada Permanent AFI
Capitol C & C Fin. Ltd.
Cayzer Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Co-operative Bank
Corinthian Securities
Credit Lyonnais
The Cyprus Popular Bk.
Duncan Lawrie
Eagil Trust
English Transcont.
First London Secs.
■ Antony Gibbs
Goode Durrant Trust
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
■ Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Hongkong & Shanghai
Industrial Bank of Scot.
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Mercantile
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Norwich General Trust
P. S. Refson & Co.
Rossminster Accept's
Royal Bk. Canada Trust
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard Chartered
Trade Development Bk.
Twentieth Century Bk.
United Bank of Kuwait
Whiteaway Laidlaw
Williams & Glyn's
Yorkshire Bank

■ Members of the Accepting Houses Committee.
[illegible]

INSURANCE BASE RATES

† Atlantic Assurance [illegible]
Cannon Assurance [illegible]

MONEY MARKET

Adequate credit supply

Bank of England Minimum Lending Rate 15 per cent. (since October 7, 1976)

Day-to-day credit was in good supply in the London money market yesterday, and the authorities did not intervene. Banks carried forward surplus balances from Tuesday. Government disbursements exceeded revenue transfers to the Exchequer, and a very small fall in the note circulation was also in favour of the market. These factors tended to slightly outweigh a net market take-up of Treasury bills, and repayments of the previous day's official advances to the market.

Discount houses paid 14 per cent. for secured call loans in the early part, and rates touched 14¼ per cent. in places, before closing at 12-14 per cent.

In the interbank market overnight loans opened at 14½-14¾ per cent. and eased to 13½ per cent. before rising to a peak of 13¾ per cent. after lunch. During the afternoon rates fell to 10½ per cent., but rose to 13 per cent. at the close.

Short-term fixed-period interest rates were fairly steady, but the longer period rates tended to ease.

Rates in the table below are nominal in some cases.

Oct. 13 1976	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills	Eligible Bank Bills	Fine Trade Bills
Overnight	—	10½-15¼	[illegible]	[illegible]	[illegible]	[illegible]	13-14¼	[illegible]	[illegible]	[illegible]
2 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days or 7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Local authorities and finance houses seven days' notice, others seven days' fixed. [illegible] Finance House Base Rates (published by the Finance Houses Association): 12 per cent. from October 1, 1976. Clearing Bank Deposit Rates for small sums at seven days' notice [illegible]. Clearing Bank Base Rates for lending [illegible] per cent. Treasury Bills: average tender rates of discount [illegible] per cent.

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mgrs. Ltd. (a)(g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941
Abbey Capital [illegible] 28.2 +0.2 3.79
Abbey Income [illegible] +0.3 5.06
Abbey Inv. Tst. Fd. [illegible] 6.71
Abbey Gen. Tst. 27.9 29.1 +0.3 5.53

Allied Hambro Group♥ (a)(g)
Hambro Hse., Hutton, Brentwood, Essex.
[illegible] or Brentwood (0277) 211459
Allied 1st 40.1 42.8 +0.6 7.07
Brit. Ind. Fund 39.6 42.3 +0.7 7.30
Grth. & Inc. 23.3 24.9 +0.3 7.14
Elect. & Ind. Dev. 18.9 20.2 +0.2 7.42
Allied Cap. & C'dty 28.2 30.1 +0.3 6.27
Allied Capital Tst. 42.7 45.6 +0.6 7.63
High Income 38.0 40.6 +0.5 9.21
Equity Income 23.5 25.1 +0.4 9.00
International 22.8 24.4 +0.1 2.38
High Yield Fund 36.2 38.7 +0.4 12.30
[illegible] Fund 40.0 42.6 +1.0 7.60
Income Fund 32.9 34.5 +0.4 9.42
Recovery 40.1 43.5 +0.4 8.82
Smaller Co's 15.3 16.4 +0.1 8.57
2nd Smaller Co's 20.8 22.4 +0.2 8.34
Accum. Fund 68.1 71.8 +0.7 6.38
[illegible] of America 49.7 53.1 +0.4 2.54
[illegible] Fund 27.8 32.0 +0.5 2.05
[illegible] Earnings 37.2 39.7 +0.5 3.96
[illegible] Exempt Oct. 1 114.9 122.0 ... 8.23

Ansbacher Unit Mgmt. Co. Ltd.
[illegible] Noble St., EC2V 7JH 01-606 [illegible]
Monthly Fund 162.0 172.0 ... 12.40

Arbuthnot Securities Ltd. (a)(c)
[illegible] Queen St., E'burgh [illegible] 031-226 [illegible]
[illegible rows]
Deal. ‡Mon. *Tues. ††Wed. ‡Thurs. **Fri.

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
[illegible] St. Mary Axe, EC3A 8EN. 01-283 [illegible]
[illegible] Fund 55.6 58.2 ... 7.29
Price at Sept. 15. Next sub. day Oct. 20.

Barclays Unicorn Ltd. (a)(g)
Unicorn Ho. 252 Romford Rd. E7. 01-534 5544
[illegible] Castle St., Edinburgh. 031-226 [illegible]
[illegible rows]

Baring Brothers & Co. Ltd.♥ (a)(x)
[illegible] Leadenhall St., E.C.3. 01-588 2830
Stratton Tst. 119.0 125.8 -13.5 7.09
Do. Accum. 141.0 148.8 -16.2 7.09
Next sub. day October 27.

Bishopsgate Progressive Mgmt. Co.♥
9 Bishopsgate, E.C.2. 01-588 6280
B'gate Pr.* Oct. 12 109.7 116.9 ... 4.90
Acc. Units* Oct. 12 123.9 132.0 ... 4.90
B'gate Int. Oct. 5 125.9 134.2 ... 3.57
Accum. Units Oct. 5 135.3 144.3 ... 3.57
Next sub. day Oct. 19. *Oct. 26

Bridge Fund Managers♥ (a)(c)
5-6, Mincing Lane E.C.2. 01-623 4951
Bridge Inc. 151.0 163.0 ... 10.90
Bridge Cap. Inc. 20.6 22.6 -2.2 5.26
Bridge Cap. Acc. 21.9 23.7 -2.3 5.26
Bridge Exempt 68.0 [illegible] -7.0 7.75
Bridge Intl. Inc. 11.4 12.2 -1.1 3.75
♦Bridge Intl. Acc. 12.0 12.9 -1.2 3.75
Prices Sept. 22. Next sub. day Sept. 27.

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271
BL British Life 32.3 34.2 +0.8 7.06
BL Balanced* 26.5 28.4 ... 8.39
BL Capital* 28.0 29.9 ... 4.73
BL Dividend* 27.2 29.1 ... 9.49
Prices on Oct. 12. Next dealing Oct. 20.

Brown Shipley & Co. Ltd.♥ (a)(c)
Mngrs: Founders Ct., EC2 01-600 8520
BS Units* 222.7 239.2 ... 7.50
Do. (Accum.)* 246.5 264.8 ... 7.50
BS Exempt July 31 88.7 ... 8.50
Prices on Oct. 12. Next sub. day Oct. 19

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P. Bar 51122
Can. Gen Dist. 34.2 35.9 -0.1 6.03
Do. Gen. Accum. 39.8 41.9 ... 6.03
Do. Inc. Dist. 28.1 29.5 +0.1 8.92
Do. Inc. Accum. 36.7 38.5 +0.1 8.92

Capel (James) Mngt. Ltd.♥
100 Old Broad St., EC2N 1BQ 01-588 6010
Capital 32.1 34.0 ... 5.47
Income 45.5 48.0 ... 9.38
Prices on Oct. 6. Next dealing Oct. 20.

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Milburn House, Newcastle-upon-Tyne 21165
Carliol 48.7 51.5 ... 4.71
Do. Accum. Units 56.6 59.1 ... 4.71
Do. High Yield 28.5 30.2 ... 11.41
Do. Accum. Units 28.8 30.6 ... 11.41
Next dealing date Oct. 20.

Charterhouse Japhet♥
1, Paternoster Row, EC4. 01-248 3999
C.J. Internat'l 22.2 23.6 -1.0 2.40
Accum. Units 25.2 27.0 -0.8 2.40
C.J. Income 22.2 23.6 -2.4 11.90
C.J. Euro. Fin. 22.1 23.6 -0.6 3.20
Accum. Units 24.8 26.4 -0.6 3.20
C.J. Fd. Inv. Tst. 27.0 28.7 -1.4 3.20
Accum. Units 28.8 30.6 -1.4 3.02
Prices on Oct. 12. Next dealing Oct. 20.

Chieftain Trust Managers Ltd.♥ (a)(g)
30/31 Queen St., EC4R 1BR. 01-248 2932
High Income 21.9 23.5 +0.3 13.85

Confederation Funds Mgt. Ltd.♥ (a)
120 Regent St., W1R 6AY. 01-437 9040
Growth Fund 39.9 [illegible] ... 4.90

Cosmopolitan Fund Managers.
36 Copthall Ave., London EC2R.
01-588 2222, 01-638 1580
Cosmopln. Gth. Fd. 11.2 12.1 ... 4.98

Coyne Investment Mngt. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941
Coyne Growth 17.1 18.4 +0.1 4.58

Crescent Unit Tst. Mgrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3. 031-226 4931
Crescent Growth 16.6 17.9 +0.1 5.57
Cres. Internat'l 42.2 45.3 ... 1.94
Cres. High. Dist. 27.9 29.9 +0.3 10.73
Cres. Reserves 24.4 26.3 +0.2 5.29

Discretionary Unit Fund Managers
22, Blomfield St., EC2M 7AL. 01-638 4485
Disc'y Oct. 1 78.1 82.9 ... 8.58
Do. 'A' Accum. 99.4 105.4 ... 8.58

Equitas Secs. Ltd.♥ (a)(g)
41 Bishopsgate, EC2 01-588 2851
Progressive 46.1 49.3 +0.7 5.57

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377
Equity & Law 45.6 48.7 +0.4 5.26

Framlington Unit Mgt. Ltd. (a)
5-7, Ireland Yard, EC4B 5DH. 01-248 6971
Capital Tst. 50.0 [illegible] ... 3.59
Income Tst. 49.2 52.2 ... 9.80

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055
Friends Prov. Uts. 23.7 25.3 +0.3 4.22
Do. Accum. 28.5 30.4 +0.4 4.22

G.T. Unit Managers Ltd.♥
16, Finsbury Circus EC2M 7DD 01-628 8131
G.T. Cap. Inc. 48.3 51.4 ... 4.10
Do. Acc. 56.0 59.6 ... 4.10
G.T. Inc. Fd. Un. 85.9 91.4 ... 11.30
G.T. U.S. & Gen. 129.1 137.3 ... 1.90
G.T. Japan & Gen. 209.9 223.3 ... 1.10
♦Gt. Pens. Ex. Fd. 107.8 113.2 ... 2.80
G.T. Int'l. Fund 92.7 98.6 ... 1.00

G. & A. Trust (a) (g)
5, Rayleigh Rd., Brentwood (0277) 227300
G. & A. 19.4 20.7 +0.2 6.48

Gartmore Fund Managers ♥ (a)(g)
2 St. Mary Axe, EC3A 8BP. 01-283 3531
(a)American Tst. 23.1 24.8 -0.4 2.59
British Tst. (Acc.) 27.0 29.0 +0.3 5.30
Capital Fund 95.8 102.5 -1.6 5.70
Far Eastern Trust 23.1 24.8 -0.2 1.00
High Income Tst. 32.5 34.6 ... 12.86
Income Fund 37.6 40.4 +0.3 11.23
Ins. Agencies £10.67 11.56 +0.1 4.72
Intl. Exempt Fd. 63.7 66.7 +0.2 8.44
(z)Int. Ts. (Acc.) 26.6 28.6 ... 2.02

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111
(a) A.G. Income* 21.8 23.5 ... 13.3
(a) A.G. Growth†† 18.8 20.2 ... 7.40
(a) A.G. Far East* 24.3 26.2 ... 8.30
Dealing *Tues. ††Wed.

Govett (John).♥
77, London Wall, E.C.2. 01-588 5620
Stockhldr. Oct. 6 104.3 109.9 ... 1.97
Do. Accum. Unit 122.2 128.7 ... 1.97
Next dealing day Oct. 22.

Grieveson Management Co. Ltd.
59 Gresham St., EC2P 2DS. 01-606 4433
Ba'ton Oct. 13 131.1 137.3 -8.6 5.91
(Accum. Units) 135.8 142.2 -8.9 5.91
BngHYdOct. 7 101.3 106.1 ... 9.95
(Accum. Units) 107.3 112.4 ... 9.95
Endeav. Oct. 12 159.1 166.7 ... 3.55
(Accum. Units) 160.8 168.4 ... 3.55
G'chstr. Oct. 8 98.2 102.9 ... 2.76
(Accum. Units) 98.2 102.9 ... 2.76
Ln. Brs. Oct. 13 59.7 62.4 -3.6 3.92
(Accum. Units) 59.7 62.4 -3.6 3.92

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN. 01-628 8011
(ag) Guardhill Tst. 53.3 55.2 +0.2 6.46

Henderson Administration♥
Premier U.T. Admin., Rayleigh Road, Brentwood, Essex. 0277 227300
(g)Australian 37.2 39.8 +0.1 3.03
(g)Cap. Accum. 21.7 23.1 +0.2 5.33
(g)European 28.1 29.9 -0.4 2.21
(g)Far East 34.0 37.8 +0.6 2.08
(g)Finan.&ITU 15.3 16.3 +0.2 5.40
♦Gross Sept. 27 112.6 117.2 ... 3.69
(g) High Income 32.4 34.7 +0.3 12.54
(g)Inc. & Assets 17.7 18.8 +0.2 8.19
(g)International 21.5 22.9 +0.1 4.45
(g)Nth. American 38.1 40.8 -0.1 4.52
(g)Oil Nat. Res. 20.3 21.6 -0.1 4.88
World'd Sept. 30 47.9 51.2 ... 6.90
11, Austin Friars, EC2N 2ED
Cabot Oct. 13 53.6 57.0 -3.6 5.40
*For tax exempt funds only

Hill Samuel Unit Tst. Mgrs.† (a)
45 Beech St., EC2P 2LX 01-628 8011
(b) British Trust 93.9 100.5 +0.4 7.51
(g) Int'l Trust 28.8 30.9 -0.1 3.42
(g) Dollar Trust 63.7 68.2 -1.0 2.95
(b) Capital Trust 17.4 18.7 +0.3 7.23
(b) Financial Trust 55.0 58.9 +0.3 6.53
(b) Income Trust 16.5 17.7 +0.3 9.22
(b) Security Trust 31.3 33.5 +0.2 7.66
(b) High Yield Tst. 16.9 18.1 +0.2 11.39

Intel.♥ (a)(g)
15, Christopher Street, E.C.2. 01-247 7243
Intel. Inv. Fund 64.0 69.2 ... 5.80

Ionian Unit Tst. Mngmnt. Ltd.♥
64, Coleman Street, E.C.2. 01-638 3966
Ionian Foreign* 79.0 87.0 ... 1.50
Ionian Growth** 97.0 105.0 ... 5.56
*Ionian Inc. Fd.† 76.0 82.0 ... 12.88
*Next dealing Oct. 21. **Oct. 7. †Oct. 28.

Key Fund Managers Ltd. (a)(g)
25, Milk St., EC2V 8JE. 01-606 7070.
Key Capital Fund 39.9 42.4 +0.3 6.12
Key Energy In. Fd. 46.8 49.7 +0.7 4.81
♦Key Exempt Fd. 74.8 79.5 ... 8.92
Key Income Fund 43.8 46.5 +0.4 11.09
Key P.I.F. 44.5 47.1 +0.4 6.95
Key Fixed Int. Fd. 46.2 49.1 ... 15.02

Kleinwort Benson Unit Managers♥
20, Fenchurch St., E.C.3. 01-623 8000
K.B. Unit Fd. Inc. 51.7 56.7 ... 6.48
♦K.B. Unit Fd. Ac. 61.0 66.8 ... 6.48

L & C Unit Trust Management Ltd.♥
The Stock Exchange, EC2N 1HP. 01-588 2800
L&C Inc. Fd. 78.4 80.9 ... 11.49
L&C Intl & Gen Fd. 73.3 75.6 ... 4.52

Lawson Securities Ltd.♥ (a)(c)
63 George St., Edinburgh EH2 2JG. 031-226 3911
‡Raw. Materials 22.2 25.4 ... 8.15
‡(Accum. Units) 22.7 26.0 ... 8.15
*Growth Fund 46.0 50.0 ... 4.19
*(Accum. Units) 47.8 52.0 ... 4.57
††Gilt and Warrant 22.1 25.5 ... 3.20
‡American Fd. 21.8 24.7 -0.3 2.35
‡(Accum Units) 22.2 25.1 -0.3 2.35
**High Yield 29.8 35.0 -0.1 14.93
**(Accum. Units) 36.2 42.6 -0.1 14.93
Deal. ‡Mon. *Tues. ††Wed. ‡Thurs. **Fri.

Legal & General Tyndall Fund♥
18, Canynge Road, Bristol. 0272 32241
Dis. Oct. 12 33.6 35.6 -5.6 8.79
(Accum. Units) 39.6 41.8 -4.6 8.79
Next sub. day Nov. 10.

Leonine Administration Ltd.
20 Throgmorton Street, EC2 2AN 01-236 1771
Leo Dist. 39.3 41.4 ... 9.57
Leo Accum. 40.2 42.4 ... 9.34

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥ (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288
First (Balncd.) 30.9 33.2 +0.5 6.76
Do. (Accum.) 39.7 42.6 +0.7 6.76
Second (Cap.) 35.8 38.4 +0.4 4.39
Do. (Accum.) 42.6 45.8 +0.5 4.39
Third (Income) 52.4 56.3 +0.6 8.69
Do. (Accum.) 65.1 70.0 +0.8 8.69
Fourth (ExInc.) 36.8 39.5 +0.2 11.32
Do. (Accum.) 37.3 40.1 +0.2 11.32

Lloyd's Life Unit Tst. Mngrs. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941
Equity Accum. 86.9 91.5 -5.4 6.80

London Wall♥ (a)(g)
1, Finsbury Square, EC2A 1PD. 01-606 3811
Unit Dealing: 18, Canynge Rd., Bristol BS99 7UA 0272 32241
Capital Priority 41.1 43.9 +0.6 7.48
Extra Inc. Growth 20.3 21.8 -0.8 13.12
Do. Accum. 21.4 23.0 +0.4 13.12
Financial Pr'rty 9.7 10.4 +0.3 7.00
Do. Accum. 11.1 11.9 +0.1 7.00
High Inc. Priority 33.3 35.6 +0.4 10.89
London Wall Int. 23.7 25.3 +0.5 2.78
Special Sits 14.0 14.9 +0.1 6.88
Stronghold Units 20.8 22.2 +0.3 7.97

M & G Group♥ (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588
See also Stock Exchange Dealings.
American Acc. 39.4 42.2 -0.7 2.98
Australasian Acc. 41.8 44.7 -0.7 2.11
Commodity 47.6 50.9 -0.4 5.75
(Accum. Units) 48.2 51.3 -0.4 5.75
Compound Acc. 57.3 63.5 -0.2 5.26
Conversion Growth 43.8 46.4 -0.3 3.12
Dividend 64.4 70.4 +0.3 11.15
(Accum. Units) 112.4 119.1 +0.5 11.15
European Acc. 40.6 43.2 -0.6 5.20
Extra Yield 44.3 47.0 ... 12.90
(Accum. Units) 54.5 57.8 +0.1 12.90
Far Eastern 36.3 38.7 -0.6 5.48
(Accum. Units) 38.1 40.6 -0.6 5.46
Fund of Inv. Tsts. 38.7 41.0 -0.6 4.42
(Accum. Units) 44.2 46.9 -0.8 4.42
General 104.0 111.3 +0.6 7.57
(Accum. Units) 149.0 159.4 +0.9 7.57
High Income 53.0 56.3 +0.3 13.01
(Accum. Units) 78.4 83.1 +0.4 13.01
Japan Acc. 224.8 233.5 -0.8 1.33
Magnum 139.0 147.3 -0.7 6.63
(Accum. Units) 165.7 175.6 -0.8 6.63
Midland 84.0 89.0 -0.4 10.76
(Accum. Units) 124.9 132.4 -0.5 10.76
Recovery Acc. 110.3 116.9 -0.2 9.92
Second 95.6 102.3 -0.4 7.63
(Accum. Units) 134.7 144.1 -0.6 7.63
Special 74.7 79.9 +0.5 6.08
(Accum. Units) 89.6 95.9 +0.6 6.08
Specialised Funds
Trustee 80.1 84.5 +0.2 9.22
(Accum. Units) 141.5 149.3 +0.3 9.22
Charibond Oct. 12 99.0 -1.1 12.00
Charifund Oct. 12 91.5 92.9 ... 10.15
(Accum. Units) 96.0 97.5 ... 10.15
PPensionEx. Oct. 11 83.2 87.8 ... 7.37

ManuLife Management Ltd.♥
P.O. Box 21, Stevenage. 0438 56101
Growth Units 30.2 31.7 ... 5.49

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2EB. 01-600 4555
Merc. Gen. Oct. 13 98.8 105.1 ... 7.10
Accts. Us. Oct. 13 122.4 130.2 ... 7.10
Merc. Int. Oct. 13 59.9 63.7 ... 5.98
Accts. Uts. Oct. 13 61.2 65.1 ... 5.98

Midland Bank Group
Unit Trust Managers Ltd.♥ (a)
Courtwood House, Silver Street Head, Sheffield, S1 3RD. Tel. 0742 79842
Commodity & Gen. 42.3 45.6 +0.2 6.25
Do. Accum. 44.4 47.8 +0.2 6.25
Growth 29.8 32.0 +0.2 3.40
Do. Accum. 30.6 32.9 +0.2 3.36
Capital 20.0 21.5 ... 4.02
Do. Accum. 20.7 22.3 ... 4.02
Income 30.2 32.5 ... 8.58
Do. Accum. 31.9 34.3 ... 8.58
International 43.9 47.2 +0.3 2.77
Do. Accum. 45.3 48.7 +0.3 2.77

Minster Fund Managers Ltd.
Minster Hse., Arthur St., E.C.4. 01-623 1050
Minster Fund 23.4 24.8 ... 4.81
Do. Exempt 55.7 59.2 ... 6.62

MLA Unit Trust Mgemnt. Ltd.
Old Queen Street, SW1H 9JG. 01-930 7333.
MLA Units 20.0 21.0 ... 5.95

Mutual Unit Trust Managers♥ (a)(g)
15, Copthall Ave., EC2R 7BU. 01-606 4803
Mutual Sec. Plus 31.0 34.0 +0.5 7.41
Mutual Inc. Tst. 42.0 45.3 -0.6 8.91
Mutual Blue Chip 26.6 29.6 +0.3 8.00
Mutual High Yld. 32.4 35.9 +0.4 12.80

National Provident Inv. Mngrs. Ltd.♥
48, Gracechurch St., EC3P 3HH 01-623 4200
N.P.I. Gth. Un. Tst. — — ... —
(Accum. Units)* 36.4 38.8 ... 5.00
Distribution Un.* 31.9 34.0 ... 5.00
NPI O'seas. Trust — — ... —
(Accum. Units)** 136.5 144.5 ... 3.30
Distr. Units** 131.7 139.4 ... 3.30
**Prices at Sept. 30. Next dealing day Oct. 28
*Prices at Oct. 6. Next dealing Oct. 20

National Westminster♥ (a)
41, Lothbury, EC2P 2BP. 01-637 6044
Capital (Accum.) 46.6 49.7 +0.7 5.19
Income 22.7 24.3 +0.3 8.60
Financial 23.2 24.8 +0.1 6.36
Growth Inv. 65.2 69.6 +0.6 5.76
Extra Inc. 43.6 46.7 +0.3 10.13

NEL Trust Managers Ltd.♥ (a)(g)
Milton Court, Dorking, Surrey. 5911
Nelstar 41.5 43.6 +0.2 5.75

New Court Fund Managers Ltd. (g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941
N. C. Equity Fund 113.0 120.0 ... 3.80
N. C. Income Fd. 92.6 98.5 +0.8 9.62
N. C. Internat. Fd. 80.9 86.1 +0.7 1.80
N. C. Sml. Cs. Fd. 80.7 85.8 +1.1 5.85

Norwich Union Insurance Group (b)
P.O. Box 4, Norwich. NR1 3NG. 0603 22200
Group Tst. Fd. 166.3 175.0 -0.4 8.17

Oceanic Managers (a)(z)
15, Gt. St. Thomas Apostle, [illegible] 01-236 [illegible]
♦Oceanic Exm'pt Fd. 33.5 35.1 ... 8.93
Financial 17.9 19.2 +0.1 3.39
General 13.1 14.1 +0.2 5.37
Growth Accum. 24.5 26.6 ... 6.20
Growth Income 19.9 21.5 +0.1 6.20
High Income 15.7 17.2 +0.3 12.13
I.T.U. 11.7 12.6 +0.1 3.91
Index 13.8 15.2 +0.2 4.44
Overseas 17.7 19.1 ... 3.14
Performance 28.5 31.4 +0.8 6.75
Recovery 11.3 12.3 +0.1 5.26

Pearl Trust Managers Ltd. (a)(g)(z)
252 High Holborn, WC1V 7EB 01-405 8441
Pearl Growth Fd. 15.7 16.9 +0.1 5.79
Accum Units 17.5 18.9 +0.2 5.79
Pearl Inc. 20.0 21.6 +0.3 8.95
Pearl Unit Tst. 23.0 24.8 +0.3 5.97
(Accum. Units) 27.8 29.9 +0.4 5.97

Pelican Units Admin. Ltd. (g)(x)
1 Fountain St., Manchester 061-236 5685
Pelican Units 43.1 45.7 +0.3 7.60

Perpetual Unit Trust Mngmt.♥ (a)
48 Hart St., Henley on Thames 04912 6868
PpetualGp. Gth. 87.0 92.7 ... 4.90

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)
85, London Wall, EC2 01-638 0801
Extra Income 21.4 23.0 ... 14.0
Income & Growth 17.8 19.8 +0.1 8.00
Capital Fund 27.9 30.9 +0.3 3.80
Int. Erns. & Assets 38.0 42.6 ... 7.50
Private Fund 19.0 21.0 +0.2 6.19
Accumltr. Fund 38.3 42.3 +0.3 7.50
Technology Fund 30.4 33.4 ... 5.90

Practical Invest. Co. Ltd.♥ (y)(c)
Europe Hs., Wld. Tr. Centre, E1. 01-623 8893
Practical Oct. 13 91.2 100.1 -9.0 5.39
Accum. Units 123.4 133.5 -12.3 5.39

Provincial Life Inv. Co. Ltd.♥
222, Bishopsgate, E.C.2. 01-247 6533
Prolific Units 53.9 57.7 -0.2 3.74
High Income 60.8 65.1 ... 11.26

Prudl. Unit Tst. Mngrs.♥ (a)(b)(c)
Holborn Bars, EC1N 2NH. 01-405 9222
Prudential 72.0 76.5 +1.0 6.96

Quilter Management Co. Ltd.♥
The Stk. Exchange, EC2N 1HP. 01-600 4177
Quadrant 72.2 74.2 ... 6.22

Reliance Unit Mgrs. Ltd.♥
Reliance Hse., Tunbridge Wells, Kt. 0892 22271
Opportunity Fd. 33.4 35.7 ... 8.85

Remigium Management Ltd.♥
City-Gate Hs., Finsbury Sq., EC2. 01-606 1066
Rowan Secs. Fd. 101.0 104.0 ... 6.05
Next sub. day Oct. 12

Rthchld. & Lwnds. Mgrs. Ltd. (a)
St. Swithin's Lane, Ldn., EC4. 01-626 4356
New Ct. Exempt 94.0 101.0 ... 3.88
Price on Sept. 15. Next dealing Oct. 15

Rowe & Pitman Management Ltd.♥
City-Gate Ho., Finsbury Sq., EC2. 01-606 1066
Rowan Int. Fd. 65.5 69.5 ... 2.45
Next sub. day Oct. 18

Royal Tst. Can. Fd. Mgrs. Ltd.
54, Jermyn Street, S.W.1. 01-629 8252
Capital Fund 59.1 62.3 ... 4.23
Income Fund 56.2 59.3 ... 9.20
Prices at Sept. 30. Next dealing Oct. 15.

Save & Prosper Group
4, Great St. Helens, London EC3P 3EP
68-73 Queen St., Edinburgh EH2 4NX
Dealings to: 01-554 8899 or 031-226 7351.

Save & Prosper Securities Ltd.♥
International Funds
Capital Units 27.6 29.6 +0.4 3.23
I.T.U. 15.1 16.2 ... 5.58
Universal Growth 51.5 55.1 +0.2 3.23
Increasing Income Fund
High-Yield Units 35.3 37.8 +0.7 9.39
High Income Funds
High Return 37.5 40.2 +0.5 11.13
Income 27.1 29.0 +0.1 12.49
U.K. Funds
UK Equity Fund 26.1 28.0 ... 7.09
Ebor Cap. Acc. 40.8 42.8 +0.3 5.83
Ebor General 33.9 36.5 +0.1 6.47
Overseas Funds(z)
Europe Gth. Fd. 69.7 74.6 -1.1 4.48
Japan Gth. Fd. 81.8 87.5 -0.2 0.81
U.S. Gth. Fd. 71.4 76.4 -0.9 1.51
Sector Funds
Commodity 54.6 58.4 -0.4 5.55
Comdty. Pens.*♦ 153.8 164.5 -13.1 7.50
Energy 56.1 60.0 +0.7 1.93
Fin'cial Secs. Fd. 52.6 56.3 +0.5 3.77
Ebor Financial 23.9 25.6 +0.1 6.38
Ebor Prop. Share 27.5 29.5 +0.3 6.06
High-Minimum Funds
Select Gth.** 84.7 88.5 ... 2.57
Select Inc.** 64.5 67.4 ... 9.93
*Prices on Oct. 13. Next sub. day Oct. 20.
**Prices on Oct. 12. Next sub. day Oct. 26.

Scotbits Securities Ltd.♥
Scotbits 29.3 31.4 +0.3 4.60
Scotyield 32.5 34.8 +0.2 9.36
Scotgrowth 33.6 36.0 -0.2 5.69
Scotshares 32.8 35.1 +0.5 6.59
Scotfunds 203.2 213.9 +0.3 3.42
Scotincome 33.4 35.2 +0.5 9.61
Scot. Ex. Gth.*♦ 165.9 173.8 -21.5 3.69
Scot. Ex. Yld.*♦ 104.0 108.9 -15.0 8.97
*Prices at Oct. 12. Next sub. day Oct. 27.

J. Henry Schroder Wagg & Co. Ltd.♥
120, Cheapside, E.C.2. 01-242 8252
Capital Oct. 12 62.3 64.8 ... 5.22
(Accum. Units) 72.0 74.8 ... 5.22
Income Oct. 12 99.2 102.7 ... 11.10
(Accum. Units) 133.3 138.1 ... 11.10
General Oct. 13 45.5 48.4 -2.9 6.01
(Accum. Units) 55.1 57.3 -4.8 6.02
Europe Oct. 7 27.6 29.3 ... 3.52
(Accum. Units) 29.5 31.3 ... 3.52
*Pn/Chy Sept. 28 108.0 111.3 ... 5.31
*Spec. Ex. Oct. 12 110.6 114.0 ... 6.10
*Recovery Oct. 12 87.0 89.6 ... 10.08
*For tax exempt funds only

Scottish Equitable Fnd. Mgrs. Ltd.♥
28 St. Andrews Sq., Edinburgh 031-556 9101
Income Units 30.7 32.7 ... 7.60
Accum. Units 32.9 35.0 ... 7.60
Dealing day Tuesday.

Sebag Unit Tst. Managers Ltd.♥ (a)
PO Box 511, Bcklbry. Hse., E.C.4. 01-236 5000
Sebag Capital Fd. 21.2 22.2 +0.4 5.56
Sebag Income Fd. 19.6 20.5 +0.2 11.15

Security Selection
8 The Crescent Minories, EC3N 2LY. 01-488 4313
Unv Gth Tst Acc 17.7 18.9 ... 3.74
Unv & Gth Tst Inc 16.2 17.3 ... 3.74

Slater Walker Tst. Mgmnt. (a)(g)
3 London Wall Buildings, London Wall, London EC2M 5QL. 01-638 0478/0479
Assets Tst. 43.5 46.8 +0.6 8.48
Bank Ins & Fin. 42.3 45.5 +0.2 6.26
Brit. High Inc. 18.7 20.1 +0.1 14.05
Capital Acc. 34.7 37.4 +0.6 4.75
Cap. Growth 24.4 26.2 +0.2 6.90
Century 29.6 31.9 +0.8 6.52
City of London 24.3 26.1 +0.2 5.92
Comm & Ind 27.0 29.0 +0.3 6.23
Commodity 51.0 54.8 +1.0 6.10
Domestic 24.1 26.0 +0.4 6.88
Exempt Tst. 57.3 60.3 +0.2 11.19
Extra Income 23.7 25.5 +0.1 15.56
Far East 17.1 18.4 ... 2.53
Finan'l Tst. 24.6 26.5 +0.2 6.26
GoldInd.&Power 43.4 46.7 +0.7 4.00
Gen. Fund 22.5 24.0 +0.2 6.25
Global Grth. 50.0 53.7 +0.8 3.38
Gold & General 69.2 74.4 +0.2 6.68
Growth 54.8 59.0 +0.8 6.11
Inc. & Growth 43.5 46.7 +0.3 12.17
Invest.Tst.Shares 27.7 29.8 +0.1 5.52
Min'rals Tst. 28.2 30.3 -0.2 9.76
Nat. High Inc. 49.0 52.7 +1.2 11.04
New Issues 22.2 23.9 +0.2 7.35
N. Amer. Tst. 28.1 30.2 ... 2.93
Prf'snl Tst. 318.9 328.8 +4.8 6.07
Property Shares 6.9 7.4 ... 4.47
Provident 84.6 90.9 +0.8 5.86
Security First 46.1 49.6 +0.9 6.70
Shield 32.0 34.5 +0.8 6.54
Status Change 14.1 15.1 +0.2 9.93
Universal Second 68.3 73.5 +0.9 6.91

Stewart Unit Tst. Managers Ltd. (a)
45, Charlotte Sq., Edinburgh. 031-226 3271
Stewart American Fund
Standard Units 51.6 56.0 ... 1.82
Accum. Units 54.5 59.2 ... —
Withdrawal Units 45.0 48.8 ... —
Stewart British Capital Fund
*Standard† 71.5 76.8 ... 6.70
Accum. Units 78.8 84.7 ... 6.70

Sun Alliance Fund Mngt. Ltd.
Sun Alliance Hse., Horsham. 0403 64141
Exp. Eq. Tst. Oct. 13 £110.7 116.4 ... 7.09
72-80, Gatehouse Rd., Aylesbury 0296 5941
♥The Family Fd. 61.6 65.5 +1.1 4.08

Target Tst. Mngrs. Ltd.♥ (a)(g)
7-9 Bream's Bldgs., EC4A 1EU. 01-242 0777
Target Commodity 26.3 28.3 -0.4 3.70
Target Financial 37.3 40.5 +0.5 5.89
Target Equity 23.8 25.6 ... 9.00
†Target Ex. Oct. 12 [illegible] 118.0 ... 8.17
♦Do. Acc. Units 141.4 146.5 ... 8.17
Target Growth 20.7 22.3 +0.3 3.22
Target Intl. 24.3 26.1 -0.1 2.46
Do. Reinv. Units 25.9 27.8 -0.1 2.46
Target Inv. 16.7 18.0 +0.2 4.60
Target Pf. Oct. 13 95.5 100.0 ... 6.66
Tgt. Inc. 27.7 29.8 +0.2 12.89
Tgt. Pref. 11.4 12.5 ... 14.10

Target Tst. Mgrs. (Scotland) (a)(b)
19, Athol Crescent, Edin. 3. 031-229 8621/2
Target Eagle 18.9 20.3 +0.2 3.51
Target Thistle 26.3 28.3 +0.4 8.01
Target Clyde 37.8 40.5 ... 13.60

Trades Union Unit Tst. Managers♥
100, Wood Street, E.C.2. 01-628 8011
TUUT Oct. 1 34.1 36.3 ... 6.99

Transatlantic and Gen. Secs. Co.♥
91-99 New London Rd. Chelmsford 0245 51651
Barbican Oct. 7 49.8 52.3 ... 7.41
(Accum. Units) 69.8 74.7 ... 7.41
Barb. Euro. Sept. 29 85.8 91.6 ... 4.42
Buckhm. Oct. 7 66.7 70.2 ... 5.07
(Accum. Units) 77.3 81.3 ... 5.07
Coleomco Oct. 8 74.1 78.0 ... 8.35
(Accum. Units) 84.6 89.1 ... 8.35
Cumberld. Oct. 13 40.1 42.2 -2.9 7.96
(Accum. Units) 40.1 42.2 -2.9 7.96
Glen Oct. 12 33.9 35.7 ... 6.35
(Accum. Units) 40.4 43.8 ... 6.35
Marlboro Oct. 12 45.0 47.3 ... 3.55
(Accum. Units) 49.6 52.2 ... 3.55
Merlin Oct. 4 55.2 58.8 ... 5.02
(Accum. Units) 64.1 69.1 ... 5.02
MrHgYd Oct. 7 33.1 34.8 ... 10.99
(Accum. Units) 40.6 42.7 ... 10.99
Van. Gwt. Oct. 12 31.4 32.8 ... 4.43
(Accum. Units) 37.4 39.1 ... 4.43
Van. Hg. Yd Oct. 12 41.8 44.1 ... 12.16
Wickmoor Oct. 7 41.8 44.0 ... 6.68
(Accum. Units) 47.0 49.9 ... 6.68
Wick Div. Oct. 8 42.0 44.0 ... 10.83
Do. Accum. 42.0 44.0 ... 10.83

Trident Trusts (a)(g)
Schlesinger Trust Managers Ltd.
140, South Street, Dorking. (0306) 86441
American Growth 29.7 32.1 -0.2 2.62
Income 29.1 31.0 +0.1 11.10
10% Withdrawal 23.2 24.7 +0.1 —
Intl. Growth 46.7 50.4 -0.1 3.52
Market Leaders 18.3 19.5 +0.2 6.15
"Nil Yield" 23.9 25.4 +0.1 —
Sch. Am. Exempt 22.8 24.6 ... 5.64
U.K. Grth. Accum. 13.4 14.5 +0.2 6.01
U.K. Grth. Dist. 12.9 13.9 +0.2 6.01
*Next sub. day Oct. 27

Tyndall Managers Ltd.♥
18, Canynge Road, Bristol. 0272 32241
Income Oct. 13 63.2 66.4 -7.0 10.48
(Accum. Units) 104.8 110.2 -11.4 10.48
Cap. Oct. 13 74.0 77.8 -7.2 6.05
(Accum. Units) 98.6 103.6 -9.4 6.05
Exempt Sept. 29 72.4 76.2 ... 8.27
(Accum. Units) 93.2 98.0 ... 8.25
Canynge Oct. 13 55.4 58.2 -5.4 7.26
(Accum. Units) 65.4 68.8 -6.0 7.16
Intnl. Earn. Oct. 13 154.0 161.8 -15.6 7.39
(Accum. Units) 163.8 172.0 -16.2 7.39
Scot. Cap. Oct. 13 71.8 75.4 -12.4 5.89
(Accum. Units) 81.0 85.2 -14.0 5.89
Scot. Inc. Oct. 13 94.0 98.8 -9.6 12.35

Tyndall Nat. and Comm.♥
Income Oct. 6 104.6 108.4 ... 7.44
(Accum. Units) 134.2 139.2 ... 7.44
Cap. Oct. 6 88.4 91.6 ... 4.49
(Accum. Units) 103.8 107.6 ... 4.49

TSB Unit Tst. Managers Ltd.♥ (y)
21, Chantry Way, Andover, Hants. 0264 62188
Dealings to 0264 63432-3
(b)TSB General 25.9 27.8 +0.7 5.04
(b) Do. Accum. 31.6 33.9 +0.9 5.04
TSB Scottish 55.3 58.3 -0.1 3.34
(b) Do. Accum. 56.7 59.7 -0.1 3.34

Ulster Bank♥ (a)
Waring Street, Belfast. 0232 35231
(b)Ulster Growth 24.3 26.4 +0.3 6.38

Unit Trust Account & Mgmt. Ltd.
5-8, Mincing Lane, EC3M 3DX. 01-623 4951
Friars Hse. Fund 89.0 93.6 ... 6.42
Great Winchester 14.3 15.6 ... 10.71
Gt. Wnber. Overseas 15.9 17.3 ... 3.61
Wieler Grth. Fnd. 20.5 21.6 ... 4.74
Do. Accum. 22.6 23.8 ... 4.74

Wieler Growth Fund
5-8 Mincing Lane, EC3M 3DX. 01-623 4951
Income Units 20.6 21.7 ... 4.72
Accum. Units 22.7 23.9 ... 4.72

REGIONAL MARKETS

A selection of the share prices previously shown under regional headings is [...]ed below with quotations on London. Irish issues, most of which are not [of]ficially listed in London, are shown separately and with prices as on the Irish [ex]change.

						IRISH		
			Higsons Brew.	65	-3	Conv. 9% '80/82	£72⅛	......
[...]any Inv. 20p	35	......	I.O.M. Stm. £1	190	......	Alliance Gas	51	......
[...] Spinning	36	......	Holt (Jos.) 25p	180	-5	Arnott	215	......
[...]rian	21	......	Kleen-e-Ze	28	......	Carroll (P.J.)	102	......
[...]ulr. Est. 50p	120	......	Lovell's Ship £1	135	......	Clondalkin	95	......
[...]er Croft	21	......	Nthn. Goldsmith	24	......	Concrete Prods.	40	......
[...]g & Rose £1	350	......	P.M.A.	24	......	Heiton (Hldgs.)	39	......
[...]son (R.A.)	16	......	Pearce (C. H.)	85	......	Ind. News	52	......
[...]ils & McHdy.	64	......	Peel Mills	12	......	Ins. Corp.	154	......
[...]ans Fr'k 10p	22	......	RobbCaledon£1	46	......	Irish Distillers	96	......
[...]ared	9	......	Sayers 12½p	15	......	Irish Ropes	[illegible]	-2
[...] Forge	54	......	Sheffield Brick	75	......	Jacob	46	......
[...]nley Pkg. 5p	16	......	Sheff. Refrshmt.	130	......	Sunbeam	12	......
[...]ig Ship £1	320	......	Shiloh Spinn.	21	......	T.M.G.	79	......
[...] Sleigh 10p	5	......	Sindall (Wm.)	49	......	Unidare	48	......

[L]EADERS AND LAGGARDS

The following table shows the percentage changes* which have taken place [sinc]e December 31, 1975, in the principal equity sections of the F.T.-Actuaries [Sha]re Indices. It also contains the F.T. Gold Mines Index.

[illegible]	+28.42	Banks	-25.09
[illegible]	+15.94	Consumer Goods (Non-durable) Group	-25.18
[illegible]	+7.65	Investment Trusts	-26.43
[...] and Games	-2.78	Consumer Goods (Durable) Group	-26.98
[illegible]	-2.92	Insurance (Composite)	-28.10
[...]papers and Publishing	-8.46	Entertainment and Catering	-30.03
[...] Tools	-9.82	Financial Group	-30.27
[illegible]	-13.51	Food Retailing	-30.53
[...] (Brokers)	-14.99	Mining Finance	-30.57
[...] and Distributors	-16.50	Building Materials	-31.22
[illegible]	-16.65	Stores	-31.34
[...]icals	-17.87	Household Goods	-31.83
[...]icals	-17.52	Electronics, Radio and TV	-32.06
[...]eering (General)	-18.84	Textiles	-32.14
[...]eering (Heavy)	-19.26	Insurance (Life)	-32.99
[...] Traders	-19.44	Discount Houses	-35.47
[...] Index	-20.36	Coppers	-37.85
[illegible]	-20.48	Property	-40.64
[...]are Index	-22.56	Contracting and Construction	-43.13
[...] Manufacturing	-22.99	Hire Purchase	-43.25
[...]s and Spirits	-23.13	Merchant Banks, Issuing Houses	-44.43
[...] Goods Group	-23.26	Gold Mines FT	-54.37
[...]trial Group	-23.43		
[...]ing and Paper	-25.45		
[...] Equipment	-26.22		

* Percentage changes based on Tuesday, October 12, 1976, indices.

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
1-3 St. Paul's Churchyard, EC4. 01-248 9111
Equity Fund 22.6 23.8 -0.5 —
Equity Acc. 18.5 19.5 -0.5 —
Property Fd. 126.2 132.9 -10.1 —
Property Acc. 127.5 134.3 +1.8 —
Selective Fund 63.1 66.5 -2.6 —
Convertible Fund 116.6 122.8 +0.1 —
♦Money Fund 109.7 115.5 +0.1 —
Pens. Property 139.6 147.0 +0.2 —
Pens. Selective 58.4 61.5 -5.6 —
Pens. Security 115.1 121.2 +0.2 —
Pens. Managed 121.0 127.4 -4.8 —
♦Prop. Fd. Ser. 4 106.5 112.2 +0.2 —
♦Man. Fd. Ser. 4 94.6 99.6 +2.7 —
♦Equity Fd. Ser. 4 20.8 21.9 -0.4 —
♦Conv. Fd. Ser. 4 100.0 105.3 +0.1 —
♦Money Fd. Ser. 4 99.4 104.7 +0.2 —

Albany Life Assurance Co. Ltd.
31, Old Burlington St., W.1. 01-437 5962
♦Equity Fd. Acc. 120.9 127.2 ... —
♦Fixed Int. Acc. 107.6 113.3 ... —
♦Gtd. Money Fd. Ac. 103.9 109.4 ... —
♦Intl. Man. Fd. Acm. 92.3 97.1 ... —
♦Prop. Fd. Acc. 98.4 104.6 ... —
♦M'ple Inv. Acc. 117.7 123.9 ... —
Equity Pen. Fd. Acc. 129.4 136.2 ... —
Fixed I. Pen. Acc. 118.0 124.1 ... —
G'td. Mon. Pen. Acc. 110.2 116.0 ... —
Intl. Man. PnFdAcc. 92.5 97.3 ... —
Prop. Pen. Acc. 106.6 112.1 ... —
M'ple Inv. Acc. 126.4 133.0 ... —

AMEV Life Assurance Ltd.♥
Alma Hse., Alma Rd., Reigate. Reigate 40101.
Triad Managed 99.9 104.0 ... —
Triad Mgd. "B" 91.0 95.9 ... —
Triad Money Fund 96.4 101.5 ... —

Barclays Life Assur. Co. Ltd.
252 Romford Rd., E.7. 01-534 5544
CBarclaybonds 88.1 92.8 -5.2 —
Current unit value Oct. 14.

Beehive Life Assur. Co. Ltd.♥
71, Lombard St., EC3. 01-623 1288
Black Horse Bd. 102.45 ... —
For "Brandts Ltd." see "Lloyds Bk. Unit Tst. Mngrs."

Canada Life Assurance Co.
2-6 High St., Potters Bar, Herts. P. Bar 51122
Growth Fd. Oct. 1 43.5 ... —
Retmt. Fed. Oct. 6 90.0 ... —

Cannon Assurance Ltd.♥
1 Olympic Wy., Wembley, HA9 0NB. 01-902 8876
Equity Units £11.10 +0.04 —
Property Units 826 ... —
Exec. Bald. Unit 979 +2 —
Exec. Equity Unit 750 +2 —
Exec. Prop. Unit £10.91 ... —
*Current value Oct. 12.
Balance Bond 979 £10.36 +0.02 —
Equity Bond 750 794 +2 —
Property Bond £10.91 11.56 ... —
Deposit Bond 101.8 107.7 ... —
Magd. Accum. Unit 1,285 ... —
Life and Equity Assurance
Sel. Inv. 23.5 25.5 ... —
Second Sel. 17.6 18.5 ... —
♦Secure Ret. 32.8 34.5 ... —
Gilt Fund 22.5 24.5 ... —
Equity Fund 15.0 16.9 ... —
♦Deposit Fund 108.0 114.8 ... —
♦Selective An. Fd. 73.0 77.5 ... —

Capital Life Assurance♥
Coniston House, Chapel Ash W'ton 0902 28511
Oct. 13 67.23 -8.14 —

Chrthse. Japhet Life Ass. Co. Ltd.♥
1 Paternoster Row, EC4. 01-248 3999
Energy Bonds 26.6 28.2 ... —
Money Bds. 27.2 28.8 ... —
Managed Bds. 25.2 26.6 ... —
Equity Bds. 26.2 27.6 ... —

The City of Westminster Assur. Soc.♥
Ringstead House, 6 Whitehorse Road, Croydon, CR0 2JA. 01-684 9664.
First Unit 89.3 93.7 ... —
Fourth Unit 57.7 ... —
Pr'ty Uns 48.7 51.1 ... —

The City of W'minster Ass. Co. Ltd.♥
Ringstead House, 6 Whitehorse Road, Croydon, CR0 2JA. 01-684 9664
West Prop. 48.1 50.6 ... —
Landbk. 48.3 50.9 ... —
Speculator 33.2 ... —
Pula Fund 116.0 120.5 ... —
Investors Opt. Bd. 111.7 117.5 ... —
Equity Fund 34.7 36.5 ... —
Westminster Managed Fund
Perfmce. 128.2 ... —
Balance 127.8 134.5 ... —
G'teed 109.8 ... —
Valuation day last working day of the month.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500
Variable An. Ac. Uts. 30.77 ... —
Do. Annuity Uts. 12.92 ... —

Confederation Life Insurance Co.
120, Regent St., W1R 6AY 01-437 9040
♦Equity Fund 85.8 91.3 ... —
♦Managed Fund 126.8 133.6 ... —
Personal Pen. Fd. 48.8 51.3 ... —
Equity Pen. Fund 134.7 ... —
Fixed Int. Pen. Fd. 127.7 ... —
Managed Pen. Fd. 129.5 ... —
Property Pen. Fd. 114.6 ... —
♦Protected In. Pol. 242.43 ... —

Cornhill Insurance Co. Ltd.
32, Cornhill, E.C.3. 01-626 5410
Capital Sept. 15 83.0 ... —
GS Special Sept. 15 34.5 ... —
Mn. Gth. Fd. Sept. 20 116.9 122.5 ... —

Credit & Commerce Insurance
60 Mark Lane, EC3R 7TN 01-488 1166
C&C Mngd. Fd. 103.6 109.0 ... —
Managed Fds. 48.25 50.64 ... —

Crescent Life Ass. Co. Ltd.
Braywick Hse., Mdnhd. Berks. Mdnhd. 34656
Cres. Pla'd. Inv. Fd. 45.1 48.4 ... —

Crusader Insurance Co. Ltd.
Vincula House, Tower Pl., EC3. 01-626 8031
Gth. Prop. Oct. 5 58.8 65.5 ... —

Eagle Star Insur/Midland Ass.
1, Threadneedle St., EC2. 01-588 1212
Eagle/Mid. Units 31.1 32.3 ... 5.92

General Portfolio Life Ins. C. Ltd.♥
60 Bartholomew Cl., Waltham Cross. WX31971
Portfolio Fund 91.23 ... —
Portfolio Capital 39.7 41.8 ... —

Grosvenor Life Ass. Co. Ltd.
65, Grosvenor St., W.1. 01-493 1484
Managed Fund 24.5 25.8 ... —

Growth & Sec. Life Ass. Soc. Ltd.♥
United House, W.11. 01-229 6166
Flexible Finance £1,030 ... —
Landbank Secs. 54.94 ... —
Landbank Scs. Ac. 107.6 110.4 ... —
G & S Super Fund £7.616 ... —

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7107
Property Bonds 146.1 152.2 ... —
Pen. Man. Fd. Uts 108.5 114.2 ... —

Hambro Life Assurance Limited♥
7 Old Park Lane, London, W1 01-499 0031
♦Fixed Int. Fd. 114.9 121.1 ... —
Hambro Equity 113.0 119.0 ... —
Property 132.9 139.9 ... —
Managed Cap. 100.7 106.1 ... —
Managed Acc. 118.1 124.4 ... —
Pen. Prop. Cap. 169.9 178.7 ... —
Pen. Prop. Acc. 205.8 216.7 ... —
Pen. Man. Cap. 148.6 156.5 ... —
Pen. Man. Acc. 179.3 189.8 ... —
♦Pen. F.I. Cap. 116.8 123.0 ... —
♦Pen. F.I. Acc. 125.2 131.8 ... —
♦Pen. B.S. Cap. 110.3 115.9 ... —
♦Pen. B.S. Acc. 118.2 124.5 ... —
Hambro O'seas Fd. 80.0 84.5 ... —

Hearts of Oak Benefit Society
Euston Road, London, NW1 01-387 5020
Hearts of Oak 35.3 37.5 ... —

Hill Samuel Life Assur. Ltd.
NLA Tower, Addiscombe Rd., Croy. 01-686 4355
Hill S. Prop. Unit 136.6 143.8 ... —
♦Do. Man. Unit 108.1 113.9 -0.9 —
Do. Money Fd. 110.4 116.3 +0.2 —

Imperial Life Ass. Co. of Canada
Imperial House, Guildford 71255
Grt. Fd. Oct. 1 45.7 49.6 ... —
Pn. Fd. Oct. 1 37.3 40.6 ... —

The Individual Life Ins. Co. Ltd.♥
Enterprise Hse., Isambard Brunel Rd., Portsmouth PO1 2AW. Portsmouth 27733.
Fixed Int. Units 124.8 131.4 ... —
Equity Units 92.1 96.9 ... —
Property Units 117.9 124.1 ... —
Managed Units 118.4 124.7 ... —
Money Fund 108.0 113.7 ... —
R. & S. Gilt Bond 122.2 128.7 ... —
K.&S. Govt. Sc. Bd. 102.2 108.7 ... —
♦Commodity 74.9 78.9 ... —
♦Growth 97.1 102.3 ... —
♦Capital 92.7 97.6 ... —
♦Income 97.9 103.1 ... —
♦International 119.7 126.1 ... —
♦Foreign Fxd. Int. 109.2 115.1 ... —
♦Foreign Equity 112.4 118.4 ... —

Irish Life Assurance Co. Ltd.
11, Finsbury Square, EC2. 01-628 8253
Blue Gtd. Nov. 1 52.7 55.5 ... 5.70
Managed Fund 144.6 152.2 ... —
Prop. Mod. Nov. 1 142.5 149.9 ... 5.40
Prop. Mod. Gth. 149.7 157.5 ... 5.40

King & Shaxson Ltd.
52, Cornhill, EC3. 01-623 5433
BondFd.&Exempt. 104.55 107.60 ... —
Next sub. day Oct. 6.
Gilt Bonds 121.5 124.6 ... —
Govt. Sec. Bd. 102.6 108.1 ... —

Langham Life Assurance Co. Ltd.
Langham Hs., Holmbrook Dr., NW4. 01-203 5211
Langham 'A' Plan 59.5 63.7 ... —
Midas Bonds 37.6 39.6 ... —
♦Prop. Bond 119.7 126.0 ... —
Prop. Units (LIS) 24.1 25.3 ... —
Wisp (SP) Man Fd. 61.6 64.8 ... —

For Life & Equity Assurance see Cannon Assurance Ltd.

Life Assur. Co. of Pennsylvania
39-42 New Bond St., W1Y 0RQ. 01-493 8395
LACOP Units 91.8 95.9 ... —

Lloyds Bk. Unit Tst. Mngrs. Ltd.
71, Lombard St., EC3 01-623 1288
Exempt 76.5 80.5 ... 9.58

Lloyds Life Assurance♥
612, Leadenhall St., EC3M 7LS. 01-623 6621
Mlt. Gth. Oct. 6 0.9174
Opt. 5Eq. Oct. 7 89.4 94.7 ... —
Opt. Prop. Oct. 7 110.2 116.0 ... —
Opt. 5Hyld. Oct. 7 117.5 123.7 ... —
Opt. 5Man. Oct. 7 102.3 107.7 ... —
Opt. Dpsd. Sept. 30 110.5 116.4 ... —
♦PMFdSp30 137.8 145.1 ... —
♦PnEqFdSp30 171.5 180.6 ... —
♦PnFiFdSep.30 118.1 124.4 ... —
♦PnFuInSep.30 134.3 141.4 ... —
♦PnDpFdSep.30 121.6 128.1 ... —

M & G Group♥
Three Quays, Tower Hill EC3R 6BQ 01-626 4588
Personal Pn. Oct. 8 117.0 123.6 ... —
Conv. Dep. Oct. 13 108.1 113.7 +0.2 —
Equity Bd. Oct. 7 92.7 97.5 ... —
Family 77-80 Oct. 7 94.5 ... —
Family 81-86 Oct. 7 113.9 ... —
Intrntnl. Oct. 7 82.5 86.8 ... —
Managed Oct. 5 103.7 109.0 ... —
Property Oct. 7 126.9 133.6 ... —

Magna Assurance Company Ltd.
18, Chequers Sq., Uxbridge, Middx. 52181
Building Soc. Bd. 115.1 ... —
Magna Man. Fd. 127.9 ... —

Merchant Investors Assurance♥
125, High Street, Croydon. 01-686 9171
Conv. Dep. Fd. 118.6 ... —
Money Mkt. B. 109.6 ... —
Mer. Inv. Man. Fd. 75.2 ... —
Mer. Inv. Fly. Bd. 123.9 ... —
Equity Bond 35.0 ... —
Prop. Bonds 123.3 ... —
Man. Pens. 99.5 ... —
Equity Pens. 96.6 ... —
Conv. Dep. Pens. 126.8 ... —
Mon. Mkt. Pens. 131.5 ... —

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 5911
Nelex Acc. Units 67.9 71.4 +1.0 —
Nelex Capital 57.7 60.7 ... —
Next sub. day October 25.

New Court Property Fund Mngrs. Ltd.
St. Swithins Lane, London, EC4. 01-626 4356
N.Ct.Pr.F. Sept. 30 105.5 112.2 ... 7.57
Next sub. day Dec. 31.

NPI Pensions Management Ltd.
48, Gracechurch St., EC3P 3HH 01-623 4200
Managed Fund 103.5 107.9 ... —
Prices Oct. 1. Next dealing Nov. 1.

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200
Managed Fund 123.5 130.0 +0.4 —
Equity Fund 160.6 168.8 -0.4 —
Property Fund 107.1 112.7 ... —
Fixed Int. Fund 101.3 106.6 +1.1 —
Deposit Fund 95.2 100.2 ... —
Nor. Unit Sept. 15 116.1 ... —

Phoenix Assurance Co. Ltd.
4-5, King William St., EC4P 4HR. 01-626 9876
Wealth Ass. 51.3 55.7 ... —
Eb'r. Ph. Ass. 55.3 ... —
Eb'r. Ph.Eq.E. 55.8 58.3 ... —

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, E.C.2. 01-247 6533
Prov. Managed Fd. 95.7 100.8 ... —

Prop. Equity & Life Ass. Co.♥
119, Crawford Street, W1H 2AS. 01-486 0857
R. Silk Prop. Bd. 153.8 ... —
Do. Man. Bd. 68.1 ... —
Do. Equity Bd. 56.1 ... —
Do. Fx. Mny. Bd. Fd. 119.7 ... —
Do. Bal. Ag. Ser. '11 102.7 ... —
Gilt Bd. & Gov. Sec. 102.7 ... —

Property Growth Assur. Co. Ltd.♥
Leon House, Croydon, CR9 1LU 01-680 0606
Property Fund 164.9 ... —
Property Fund (A) 164.6 ... —
Agricultural Fund [illegible] ... —
Agric. Fund (A) [illegible] ... —
Abbey Nat. Fund 148.8 ... —
Abbey Nat. Fd. (A) 149.8 ... —
Investment Fund 51.7 ... —
Investment Fd. (A) 51.7 ... —
Equity Fund 187.5 -0.5 —
Equity Fund (A) 187.4 -0.5 —
Money Fund 123.1 +0.2 —
Money Fund (A) 123.0 ... —
Actuarial Fund 100.6 ... —
Gilt-edged Fund 136.2 ... —
♦Retire Annuity 150.2 ... —
♦Immed. Ann'ty 121.6 ... —
Atlantic Assurance
All Wther Ac. Uts. 93.9 98.9 ... —
♦All Weather Cap. 90.7 95.6 ... —
♦Inv. Fd. Uts. 118.3 ... —
Pension Fd. Uts. 116.8 ... —
Conv. Pens. Fd. 119.9 ... —
Cnv. Pns. Cap. Ut. 115.9 ... —
Man. Pens. Fd. 119.9 ... —
Man. Pens. Cap. Ut. 117.6 ... —
Prop. Pens. Fd. 119.6 ... —
Prop. Pens. Cap. Uts. 117.6 ... —
Bdg. Soc. Pen. Ut. 110.1 ... —
Bdg. Soc. Cap. Ut. 104.9 ... —

Prudential Pensions Limited♦
Holborn Bars, EC1N 2NH. 01-405 9222
Equity Fd. Sept. 15 £14.99 15.65 ... —
Fxd. Int. Sept. 15 £15.27 15.84 ... —
Prop. F. Sept. 15 £19.27 20.49 ... —

Reliance Mutual
Tunbridge Wells, Kent. 0892 22271
Rel. Prop. Bds. 170.4 ... —

Royal Insurance Group
1, North John St., Liverpool. 051 236 8622
Royal Shield Fd. 92.1 97.4 ... —

Save & Prosper Group♥
4, Gt. St. Helen's, London, EC3P 3EP 01-588 1717
Bal. Inv. Fd. 99.2 105.0 -0.1 —
Property Fd.* 125.7 133.1 ... —
Deposit Fd.** 112.8 118.8 ... —
Equity Pens. Fd. 102.8 108.8 +0.3 —
Prop. Pens. Fd.*** 160.9 170.3 ... —
Co. Pens. Fd.† 138.9 146.3 -6.0 —
Prices on *Sept. 16. **Oct. 14. ***Oct. 6.
† Weekly dealings

Saveguard Assurance Limited♥
Swan Court, Petersfield, Hants Ptrsfld. 3381
Investment Fund 105.0 110.5 ... —

Schroder Life Group♥
Enterprise House, Portsmouth. 0705 27733
Flex. Oct. 12 91.8 96.8 -5.5 —
Equity. Oct. 12 146.8 ... —
Ser. 2 Oct. 12 127.6 134.4 -19.0 —
Proptry. Oct. 12 125.7 132.4 +0.2 —
Fixed Inc. Oct. 6 112.9 118.9 +1.0 —
Deposit Oct. 12 104.4 110.1 +0.1 —
Pens. Cap. Oct. 6 124.1 130.7 -11.2 —
Pen. Acc. Oct. 6 139.2 146.6 -12.5 —
Exec. Pen. Cap. 166.77 +0.18 —
Exec. Pen. Acc. 110.14 +0.24 —
Money Fund 98.6 103.9 +0.7 —

Scot. Widows' Fnd. & Life Ass. Soc.
P.O. Box 902, Edinbgh, EH16 5BU. 031-655 6000.
Inv. Ply. Series 1 69.6 69.6 ... —
Inv. Ply. Series 2 66.1 69.6 ... —

Slater Walker Insurance Co. Ltd.
30 Uxbridge Road, W12 01-749 9111
Sel. Mk. Fd. Cp. Unt. 37.2 39.4 +0.3 —
Sel. Mk. Fd. Sl. Unt. 59.1 62.8 +0.4 —

Sun Alliance Fund Mangmt. Ltd.
Sun Alliance House, Horsham. 0403 64141
Ept. Fd. Int. Sept. 8 [illegible] 109.3 -7.0 —

Sun Life of Canada (U.K.) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400
Maple Lf. Grth. 124.7 ... —
Maple Lf. Mangd. 93.4 ... —
Maple Lf. Eqty. 88.5 ... —
Persnl. Pn. Fd. 134.9 ... —

Target Life Assurance Co. Ltd.
Target House, Gatehouse Rd., Aylesbury, Bucks. Aylesbury (0296) 5941
Man. Fund Inc. 91.6 96.5 ... —
Man. Fund Acc. 91.8 97.3 ... —
Prop. Fd. Inc. 95.0 100.6 ... —
Prop. Fd. Acc. 113.9 ... —
Prop. Fd. Inv. 95.8 ... —
Fixed Int. Fd. Inc. 95.1 100.4 ... —
Dep. Fd. Acc. Inc. 96.4 101.7 ... —
Ret. Plan Ac. Pen. 43.2 45.8 +0.6 —
Ret. PlanCap. Pen. 36.7 39.8 +0.2 —
Ret. PlanMan. Acc. 99.5 [illegible] ... —
Ret. PlanMan. Cap. 96.5 [illegible] ... —

Transinternational Life Ins. Co. Ltd.
2 Bream Bldgs., London EC4 1NV. 01-405 6497
Tulip Invest. Fd. 96.9 102.1 ... —
Tulip Mangd. Fd. 78.8 82.9 ... —
Man. Bond Fd. 79.4 83.5 ... —
Man. Pen. Fd. Cap. 79.4 83.5 ... —
Man. Pen. Fd. Acc. 90.7 94.9 ... —

Trident Life Assurance Co. Ltd.
Renslade House, Gloucester 0452 36541
Trident Man. Fd. 102.1 107.6 -1.1 —
Trident Gt. Mn. Fd. 117.1 123.3 -1.7 —
Trident Prop. Fd. 115.1 121.2 ... —
Trident Eqty. Fd. 72.8 76.7 -1.2 —
TridentH. Yd. F. 106.0 111.6 -1.1 —
Trident Money Fd. 111.1 117.0 +0.1 —
Trident Fisc'al Fd. 103.9 109.4 -1.7 —
Trdnt. Bd. Sept. 30 53.5 55.9 ... —
Gilt Edged 85.7 ... —
Int. M. ManagerFd. 161.2 166.6 -5.8 —
Cash value for £100 premium

Tyndall Group♥
18, Canynge Road, Bristol. 0272 32241
3-Way Sept. 23 99.8 ... —
Property Sept. 23 87.6 ... —
Deposit Sept. 23 115.8 ... —
O'seas Inv. Sept. 23 64.6 ... —

Vanbrugh Life Assurance♥
41-43 Maddox St., Ldn. W1R 9LA. 01-499 4923
Managed Fd. 103.8 109.3 +0.5 —
Equity Fd. 123.8 130.4 +1.9 —
Fixed Interest Fd. 128.0 134.8 +0.2 —
Property Fd. 119.2 125.5 +0.1 —
Cash Fund 107.7 113.4 ... —

Welfare Insurance Co. Ltd.♥
The Leas, Folkestone, Kent. 0303 57333
Cap. Growth Fund 139.2 -2.6 —
♦Exempt Flex. Fd. 93.3 -1.0 —
♦Exempt Prop. Fd. 60.8 -1.3 —
♦Expt. Inv. Tst. Fd. 90.8 -0.9 —
Flexible Fund 77.6 -0.8 —
Inv. Trust Fd. 89.9 -1.1 —
Moneymaker Fd. 73.3 -0.3 —
Property Fund 52.2 -1.0 —

Windsor Life Assur. Co. Ltd.
1 High Street, Windsor. Windsor 68144
Life Inv. Plans 50.0 52.6 ... —
Future Assd. Gth. (a) 28.0 (b) 33.0 ... —
Ret. Assd. Pens. £15.32 ... —
Flex. Inv. Growth 86.9 91.5 ... —

OFFSHORE AND OVERSEAS FUNDS

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 72177
Cap. Tst. (Jersey) 74.0 77.0 ... 2.40
Next dealing date October 28.
East & Intl. Tst. (CI) 103.0 108.0 ... —
Next sub. day Oct. 14.

Australian Selection Fund NV
Market Opportunities, c/o Irish Young & Outhwaite, 127, Kent St., Sydney.
US$1 Shares SUS2.31 ... —
Net asset value Oct. 7.

Banque Bruxelles Lambert
2, Rue de la Regence B 1000 Brussels
Renta Fund LF 1,930 1,998 -2 8.62

Bk. of London & S. America Ltd.
40-66, Queen Victoria St., EC4. 01-248 9822
Alexander Fund SUS6.93 -0.23 —
Net asset value Oct. 13.

Barclays Unicorn Int. (Ch. Is.) Ltd.
1, Charing Cross, St. Helier, Jrsy. 0534 29041
Jersey Gay. Over 43.4 45.6 ... 13.01
Unidollar Trust SUS10.46 10.82 -0.23 4.50

Barclays Unicorn Int. (I. O. Man) Ltd.
1 Thomas St., Douglas, I.o.M. 0624 4856
Unicorn Aust. Ext. 56.1 60.3 ... 1.7
Do. Aust. Min. 27.7 29.8 ... 2.00
Do. Gtr. Pacific† 44.3 47.7 -4.2 —
Do. Intl. Income 28.7 30.7 -2.0 11.00
Do. I. of Man Tst. 39.0 41.1 ... 11.9
Do. Manx Mutual 22.8 24.6 -1.8 2.68

Bishopsgate Commodity (Services)
P.O. Box 42, Douglas, I.o.M. 0624-23911
ARMAC Sept. 6 $15.54 ... —
COUNT Oct. 4 £1.590 ... —

Bridge Management Ltd.
P.O. Box 508, Grand Cayman, Cayman Is.
N'bashi Oct. 1 13,625 ... —
P.O. Box N4715, Nassau, NP, Bahamas.
Nippon F. Oct. 7 SUS9.52 [illegible] ... 0.89

Butterfield Management Co. Ltd.
P.O. Box 195, Hamilton, Bermuda.
Buttress Equity SUS1.76 1.83 ... 1.90
Buttress Income SUS1.75 1.82 ... 7.49
Prices at Sept. 13. Next sub. day Oct. 11.

Capital International S.A.
37 rue Notre-Dame, Luxembourg.
Capital Int. Fund SUS14.49 ... —

Charterhouse Japhet
1, Paternoster Row, EC4. 01-248 3999
Adiropa DM27.40 28.90 -0.50 7.86
Adiverba DM43.10 45.30 ... 7.73
Fondak DM28.60 29.90 ... 7.36
Fondis DM21.20 22.40 -0.10 8.04
Emperor Fund SUS2.46 2.56 ... —
Hispano SUS51.94 53.93 ... 2.28

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey
IntlManFd. Sept. 25 135.0 147.0 ... —

Delta Group
P.O. Box 3012, Nassau, Bahamas.
Delta Inv. Oct. 5 SUS1.17 1.23 ... —

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.
NAV Oct. 7 SUS11.96 12.76 ... —

F. & C. Mgmt. Ltd. Inv. Advisers
1-2, Laurence Pountney Hill, EC4R 0BA. 01-623 4680
Cen. Fd. Oct. 6 SUS3.58 ... —

Fidelity Mgmt. & Res. (Bda.) Ltd.
P.O. Box 670, Hamilton, Bermuda.
Fidelity Am. Ass. $17.70 ... —
Fidelity Int. Fund SUS17.61 ... —
Fidelity Pac. Fd. SUS31.17 ... —
Fidelity World Fd. SUS11.16 -0.11 —
Fidelity Ster. Fds. ... —
Series A (Intnl.) £2.93 ... —
Series B (Pacific) £4.54 -0.32 —
Series D (Am. Ass.) £18.68 -0.46 —

F.I.R.S.T. Managers Ltd.
1, Charing Cross, St. Helier, Jersey. 0534 29041
First Intnl. SUS12.54 12.73 ... —
First Sterling £11.64 11.84 ... —

First Viking Commodity Trust
8, St. George's St., Douglas, I.o.M. 0624 4682
Fst. Vik. Cm. Tst. 36.6 38.5 ... —

Fleming (Robert) Investment Management Ltd. (Inv. Adviser)
8 Crosby Square, EC3A 6AN
Fleming Japan Fd. SUS4.99 ... —

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.
NAV Aug. 31 SUS157.95 ... —

G.T. Management Ltd. Ldn. Agts.
Park Hse. 16 Finsbury Circus, London EC2
Tel: 01-628 8131. TLX: 886100

Management International Ltd.
c/o Bk. of Bermuda Front St., Hamltn. Bmda.
Anchor Gilt Edge £8.62 8.66 ... 13.28
Anchor In. Jsy. Tst. 22.5 25.1 ... —
Anchor 'B' Units SUS0.78 0.80 ... 1.64
Anchor Int. Fd. SUS3.81 4.04 ... 1.66

G.T. Bermuda Ltd.
Bk. of Bermuda Front St., Hamltn., Bmda.
Brry. P.F. Oct. 7 SUS32.57 ... 1.23
Do. Stl. Fd. Oct. 6 185.28 194.28 ... 1.53
G.L.SFd. Oct. 6 SUS6.07 ... 0.82

G.T. Management (Asia) Ltd.
Hutchison Hse., Harcourt Rd., Hong Kong
GT Asia F. Oct. 7 SHK7.15 7.53 ... 1.87

G.T. Management (Jersey) Ltd.
Royal Tst. Hse., Colomerie, St. Helier, Jersey
GT Asia Strlg. Fd. £9.57 10.59 ... —

Hambro Pacific Fund Mgemnt. Ltd.
2110, Connaught Centre, Hong Kong
Far. E. Fd. Oct. 13 9.08 9.57 -0.42 2.78

Hambros (Guernsey) Limited
P.O. Box 86, St. Peter Port, Guernsey 0481 26521
C.I. Fund Sept. 1 97.5 103.8 ... 5.20
Int. Bond Fd. SUS 104.2 107.34 ... 8.00

Hapot Management Ltd.
305 Pu House, Ice House St, Hong Kong (Enq: 01-283 3531)
HK & Pac. U. Tst. SHK2.26 2.45 ... 3.30

Oliver Heath and Co. (IoM and Gib.)
4, Irish Place, Gib. GK245 Int. (IoM) 0624 82 3748.
Warrants Fund (X) 35.344 42.573 ... —

Henderson BSM Mgemnt. Ltd.
P.O. Box N4723 Nassau, Bahamas
H'son BSM Jpn. Fd. SUS11.8 11.61 ... —
Prices on Sept. 22. Next dealing date Oct. 13

Hill-Samuel & Co. (Guernsey) Ltd.
8 LeFebvre St., Peter Port Guernsey, C.I.
Guernsey Tst. 99.9 106.5 +0.4 4.88

Hill Samuel Overseas Fund S.A.
37 Rue Notre-Dame, Luxembourg
SUS15.48 16.10 -0.12 —

International Pacific Inv. Mngt. Ltd.
P.O. Box R237, 56, Pitt St., Sydney, Aust.
Javelin Equity Tst. SA1.62 1.77 ... 4.30

J.E.T. Managers (Jersey) Ltd.
PO Box 194, Royal Tst. Hse., Jersey 0534 27441
Jersey Extrnl. Tst. 150.0 153.0 ... —
As at Aug. 31. Next sub. day Sept. 30.

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong
Jardine Estn. Tst. SHK250.51 ... 2.50
Jardine Jpn. Fd.† SHK244.79 ... 1.10
Jardine S.E.A. SUS12.22 ... 2.29
Jardine Phlp. Tst. SUS11.62 ... 2.50
Jardine Flem. Int. SHK9.10 ... —
NAV Sept. 30. *Equiv. SUS50.16
Next sub. day Oct. 15

For "Jersey Savings Bank" see "TSB Unit Trust Managers"

Kemp-Gee Management Jersey Ltd.
1, Charing Cross, St. Helier, Jersey. 0534 29041
Kemp-Gee Capital 54.3 56.6 ... —
Kemp-Gee Income 43.2 46.3 ... 10.16

Keyselex Mngt. Jersey Ltd.
PO Box 98, St. Helier, Jersey. (Enq. 01-606 7070)
Fonselex SF1,727 ... 2.90
Keyselex Int'l £5.72 7.52 ... 3.32
Fonselex Europe SF27,967 -369 3.60
Keyselex Europe £4.05 4.52 ... 3.32
Japan Gth. Fund SUS18.64 ... —
Keyselex Japan £7.87 8.50 ... —
Cent. Assets Cap. £115.44 +0.05 —

King & Shaxson Mgrs. (Jersey) Ltd.
1 Charing Cross, St. Helier, Jersey. 0534 29041
Gilt Fund (Jrsy.) 9.28 9.30 ... 15.00
Next sub. Oct. 27.

Kleinwort Benson Limited
20, Fenchurch St., EC3 01-623 8000
Eurinvest, Lux. F. 1,012 ... 4.65
Guernsey Inc. 47.2 51.7 ... 4.01
Do. Accum. 55.4 58.7 ... —
KB Far East Fd. SUS9.31 -0.76 —
KB Intl. Fund SUS11.43 ... 2.19
KB Japan Fund SUS22.47 ... —
Signet Bermuda SUS4.21 -0.03 1.66
*Interitaua (Lira) 8,766 9,037 -11 2.43
*Unifonds (DM) 19.29 20.29 -0.10 9.90
*KB act as London paying agents only.

Lamont Investment Mngt. Ltd.
8 St. George's St., Douglas, IoM 0624 4682
Lamont Intl. Inc. 16.3 17.4 -1.6 17.24
Lamont Int. Gth. 48.9 52.0 ... 4.81

Lloyds Bk. (C.I.) U/T Mgrs.
P O Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 53.8 56.6 ... 2.78
Next dealing date Oct. 15

Lloyds International Mgmnt. S.A.
7 Rue du Rhone. P.O. Box 179, 1211 Geneva 11
Lloyds Int'l Income SF[illegible] 343.0 ... 7.50
Lloyds Int. Growth ... —

M & G Group
Three Quays, Tower Hill EC3R 6BQ 01-626 4588
A-Atlantic Ex. Oct. 12 $1.767 1.916 ... —
Aust. Ex. Oct. 13 $1.533 1.614 -0.086 —
Gold Ex. Oct. 13 SUS5.28 5.56 -0.17 —
Island 63.6 67.5 +0.1 15.27
(Accum. Units) 86.0 91.2 +0.1 15.27
*Cayman S.

Samuel Montagu Ldn. Agts.
114, Old Broad St., E.C.2. 01-588 6464
Apollo Fd. Oct. 6 SF48.65 [illegible] ... 2.73
Japtest Sept. 30 SHK8.98 9.46 ... 1.50
117 Intl. Oct. 6 SUS9.84 10.42 ... 2.36
117 Group Oct. 6 SUS10.40 11.26 ... 1.97
117 Jersy Oct. 6 £4.99 5.57 ... 0.50

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521
*Hope St. Fd. SUS24.32 ... —
*Murray Fund SUS7.66 ... —
*NAV Sept. 30.

Negit S.A.
10a Boulevard Royal, Luxembourg
NAV Oct. 8 SUS8.65 -0.20 —

Negit Ltd.
Bank of Bermuda Bldgs., Hamilton, Brmda.
NAV Oct. 8 £3.98 -0.39 —

Neptune Intnl. Fnd. Mgrs.
1, Charing Cross, St. Helier, Jsy. 0534 29041
International Fnd. 23.0 24.2 ... 5.60
*As at Oct. 7. Next sub. day Oct. 15.

Old Court Fund Mngrs. Ltd.
P.O. 58, St. Julians Ct., Guernsey. 0481 26331
OCEq'ty Fd. Sept. 30 40.5 42.9 ... 3.94
Inc. Fd. Oct. 1 117.4 124.8 ... 8.78
Inf. Fd. Sept. 15 106.0 112.7 ... —
Sm. Co. Fd. Sept. 30 85.2 90.3 ... 7.06

Old Court Commodity Fd. Mgrs. Ltd.
P.O. Box 58, St. Julian's Ct. Guernsey 0481 26741
O C. Comdty. Trust 117.3 124.7 ... —
Prices on Sept. 30. Next dealing Oct. 14.

Property Growth Overseas Ltd.
28 Irish Town, Gibraltar. (Gib) 6166
U.S. Dollar Fund SUS101.08 ... —
Sterling Fund £103.10 ... —

Royal Trust (CI) Fd. Mgt. Ltd.
P.O. Box 194, Royal Tst. Hse., Jersey. 0534 27441
R.T. Int'l. Fd. SUS9.76 10.39 ... —
R.T. Int'l. (Jsy.) Fd. 96.0 102.0 ... —
Prices at Sept. 15. Next dealing Oct. 15

Save & Prosper International
Dealing to:
37 Broad St., St. Helier, Jersey 0534-20591
U.S. Dollar-denominated Funds
Dir. Fxd. Int. †‡ 18.00 ... 7.00
Int. Gr. *‡ 5.96 6.44 ... —
Far Eastern *‡ 29.34 31.71 ... —
North American *‡ 3.53 3.82 ... —
Sepro **‡ 13.03 14.24 ... —
Sterling—denominated Funds
Channel Capital + 163.4 172.0 +0.3 2.32
Channel Islands + 83.9 88.3 +0.8 6.78
Commodity*** 133.5 140.7 ... —
St. Fxd. Int.*** 110.3 116.5 ... 11.16
Prices on *Oct. 11. **Oct. 6. ***Oct. 7
‡Weekly Dealings. †Price until Oct. 15

Schlesinger Fnd. Mgrs. (Jersey) Ltd.
P.O. Box 197, St. Helier, Jersey. 0534 27311
S.A.I.L. Oct. 1 95.0 100.0 ... 6.25
Intnl. Fd. Jersey 94.0 99.0 -1.0 3.51
Int. Fd. Luxemb'g. SUS9.27 10.01 -0.19 —

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, E.C.2. 01-588 4000
Chap. SFd. Oct. 7 SUS11.41 ... 2.63
Trafalgar Sept. 30 SUS94.23 ... —
Asin Fd. Oct. 4 SUS8.01 8.37 ... 3.00
Darling Fnd. SA2.73 [illegible] ... 5.80

Singer & Friedlander Ldn. Agents
20, Cannon St., EC4. 01-248 9646
Deknafonds DM24.83 26.20 ... 6.40
Tokyo Tst. Sept. 29 SUS26.02 ... 2.51

Slater Walker Tst. Mgt. (Jersey) Ltd.
30 Bath St., St. Helier, Jersey. 0534 73114
Growth Invest. 216.9 234.5 ... 1.00
Intnl. Fd. 59.7 64.5 ... 1.00
Jersey Energy Tst. 131.5 142.2 ... 1.00
Worldwide 59.6 ... 3.00
Value Oct. 6. Next dealing Oct. 18.

Surinvest Copper Trust Mngrs. Ltd.
P O Box 98, St. Helier Jersey 0534 28138
Surinvest Cpr. Tst. £12.39 12.84 +0.51 —

Surinvest Trust Managers Limited
50, Athol Street, Douglas, I.o.M. 0624 23914
The Silver Trust 99.4 104.8 +1.9 —

TSB Unit Trust Managers (C.I.) Ltd.
Bagatelle Rd., St. Saviour, Jersey 0534 73494
J.S.B Units 28.8 30.3 ... 5.07
Prices on Oct. 13. Next sub. day Oct. 20.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Oct. 11 SUS37.46 -0.75.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Oct. 11 SUS27.32 -0.70.

Tyndall Group 0534 37331
Hamilton, Bermuda. & St. Helier, Jersey.
Overseas Oct. 6 SUS1.10 1.16 ... 6.00
(Accum. Units) SUS1.54 1.63 ... —
TASOC Oct. 6 SUS1.34 ... —
3-way Int. Sept. 23 SUS2.34 2.46 ... —
TOFSL Oct. 6 £7.00 7.50 ... 6.00
(Accum. Shares) £9.85 10.55 ... —
TASOF Oct. 7 91.0 96.5 ... —
(Accum. Shares) 91.8 96.5 ... —
Gilt Oct. 6 93.8 95.2 ... 12.60
(Accum. Shares) 99.4 101.8 ... —
Jrsy Man. Sept. 23 86.0 91.0 ... —

United States Tst. Intl. Adv. Co.
14, Rue Aldringer, Luxembourg
U.S. Tst. Inv. Fund SUS11.44 -0.18 0.86
Net asset value Oct. 12.

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2 01-600 4555
Cnv. Bd. Oct. 12 SUS8.73 -0.05 —
Engy Int. Oct. 12 SUS12.96 -0.09 —
Gr. St. SFd. Sept. 30 SUS7.12 ... —

Warburg Invest. Mngt. Jrsy. Ltd.
1 Charing Cross, St. Helier, Jsy. CI. 0534 29041
CMF Ltd. Sept. 30 SUS9.37 9.62 ... —
CMT Ltd. Sept. 30 £9.78 10.04 ... —
Metals Tst. Sept. 16 £12.56 12.87 ... —
TMT Sept. 9 SUS10.99 11.30 ... —
TMT Ltd. Sept. 9 £10.26 11.15 ... —

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.
WorldWideGth. Fd. SUS11.22 -0.15 —

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥Net of tax on realised capital gains unless indicated by ♦. ♦Guernsey yield. ‡Suspended. ♦Single premium insurance bonds. ♦Yield before Jersey tax.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or –	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
101½	99¾	Treasury 10½pc 1976‡‡	99¾	.....	10.58	14.68
98¾	95¾	Treasury 6¾pc 1977‡‡	97¾	.....	6.44	13.94
97¾	94½	Electric 3pc '74-77	96¾	+⅛	3.11	11.17
103¾	92¾	Treasury 11½pc '77‡‡	97¾	.....	11.76	14.07
95⅛	91⅞	Treasury 3pc '77‡‡	93⅝xd	.....	3.20	9.32
95⅝	92¼	Transport 4pc '72-77	93⅝	.....	4.27	9.79
99¾	90½	Treasury 9pc 1978‡‡	94	+⅛	9.57	13.80
101½	94¾	Treasury 10½pc '78‡‡	94⅞	+⅛	11.07	13.83
93⅜	89⅝	Exchequer 5pc '76-78‡‡	91⅛	.....	5.48	10.12
103¾	93¾	Treasury 11½pc '79‡‡	93¾	–⅛	12.27	14.71
98¾	93½	Treas. 11½pc '79 A‡‡	93¾	–⅛	12.29	14.77
83⅞	83	Treasury 3pc '79‡‡	83⅛	–⅛	3.61	9.76
89¾	73⅞	Electric 4¼pc '74-79	83¼	–⅛	5.10	11.05
100¾	89½	Treasury 10½pc '79‡‡	89¾xd	–⅛	11.69	14.79
88¾	82¼	Electric 3½pc '76-79	82¾xd	–⅛	4.23	10.16
96¾	85⅝	Treasury 9pc 1980‡‡	85¾	–⅛	10.50	14.46
96½	85¾	Treasury 9½pc '80‡‡	85¾xd	–⅛	11.09	14.84
86	79	Treasury 3½pc '77-80	79	–⅛	4.43	10.54
89½	71	Funding 5¼pc '78-80‡‡	81	–¼	6.48	11.76
103¾	89¼	Treasury 11½pc 1981‡‡	89¾	–⅛	12.80	14.75
86	78⅜	Treasury 3½pc 1979-81	78⅜	–¼	4.46	9.71
95⅝	83¾	Treasury 9¾pc 1981‡‡	83¾	–⅛	11.63	14.83
		Five to Fifteen Years				
94⅛	80¾	Treasury 8½pc '80-82‡‡	80¾	–⅛	10.81	14.40
—	—	Treas 3pc '82‡‡	£70	.....	4.29	10.47
107¾	89¾	Treasury 12pc 1983‡‡	89¾	–⅛	13.50	14.74
81⅛	69⅞	Funding 5½pc '82-84‡‡	70	.....	8.01	12.10
87⅞	75⅛	Treasury 8¼pc '84-86‡‡	75¼	.....	11.64	13.56
74⅞	60½	Funding 6½pc '85-87‡‡	60½	.....	10.68	13.61
77⅞	65½	Treasury 7¾pc '85-88‡‡	65½	.....	12.14	14.28
51¼	44½	Transport 3pc '78-88	44¾	.....	6.83	12.06

CANADIANS

1976 High	Low	Stock	£	+ or –	Div. Gross	Cvr	Y'ld Gr's
14¾	10⅛	Bk. Montreal $2	13¼	–⅛	$1.00	—	4.4
40½	29¾	Bk. Nova Scot. $2	36⅝	–⅛	$1.72	—	2.7
46¾	33¾	Bell Canada 25c	42¾	+¼	$3.72	—	4.9
23⅝	12	Bow Valley‡	15⅝	–1	10c	—	0.4
10	780p	Brascan‡	890p	–10	s$1.00	—	6.4
29¾	19¾	Can. Imp. Bk. $2	21	–1½	$1.28	—	3.5
16⅞	10⅛	Can. Pacific $5	14⅜	–⅛	84½c	—	3.3
29⅝	25¾	Do. 4pc Deb. £100	26	.....	4%	—	15.4
37⅞	20¾	Gulf Oil Can.‡	21	+¼	$1.00	—	2.7
670p	430p	Hawker Sid. Can.‡	430p	.....	36c	—	4.8
33	22	Hollinger $5	27½	+½	$1.80	—	3.7
18	12⅞	Hudson's Bay ‡	14xd	–⅛	60c	—	2.4
34⅜	26⅞	Hud. B. Oil G. $2½	27½	+¼	$1.60	—	3.3
22¼	16½	Imperial Oil‡	17⅜	+⅛	26.8	—	2.6
31½	19½	Inco	25¾	–1	$1.40	—	3.1
900p	660p	Int. Nat. Gas $1	820p	–20	80c	—	5.6
25½	16	Massey Ferg.‡	18¾	–¼	$1.00	—	3.0
27⅞	20¼	Pacific Pet. $1	21¾	–½	80c	—	2.1
38½p	24p	Place Gas $1	27p	+1	—	—	—
30¾	22⅞	Rio Algom	27	–1	$1.00	—	2.1
27¼	20¾	Royal Bk. Can. $2	23¼	–⅛	$1.28	—	3.1
28¾	17¾	Seagram Co. C$1	20¾	–⅛	80c	—	2.2
18¾	13¾	Tor. Dom. Bk. $1	16⅜	–⅛	70c	—	2.4
11⅞	830p	Trans. Can. Pipe 33⅓c	10⅞	+⅛	88c	—	0.0

S.E. List Premium 41¾% (based on $1.6088 per £)

BANKS AND HIRE PURCHASE

1976 High	Low	Stock	Price	+ or –	Div Net	Cvr	Y'ld Gr's	P/E
390	251	ANZ $A1	340	+5	tQ14.9	—	2.8	—
250	140	Alexanders D. £1	140	.....	11.67	—	12.8	—
£310	£80	Algemene Fl.100	£90	–2	tQ21%	2.6	5.0	9.3
490	270	Allen Harvey £1	280	.....	25.0	—	13.7	—
128	76	Allied Irish	78	+2	Q6.89	—	8.8	—

BUILDING INDUSTRY—Continued

DRAPERY AND STORES—Continued

ENGINEERING—Continued

HOTELS—Continued

INDUSTRIALS (Miscel.)

ELECTRICAL AND RADIO

CHEMICALS, PLASTICS

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

ENGINEERING, MACHINE TOOLS

CINEMAS, THEATRES AND TV

FOOD, GROCERIES, ETC.

BUILDING INDUSTRY, TIMBER AND ROADS

DRAPERY AND STORES

HOTELS AND CATERERS

**INTERNATIONAL BANK

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S.$ & DM prices exclude inv. $ premium

AMERICANS

S.E. List Premium 41¾% (based on $US1.6842 per £)

Conversion factor 0.7103 (0.7244)

INDUSTRIALS—Continued

INSURANCE

PROPERTY—Continued

TRUSTS—Continued

TRUSTS—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

EASTERN RAND

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	250	Blyvoor 25	320	......	Q75c	1.6	15.2
£14	440	Buffels R1	570	−10	Q125c	1.6	14.2
198	70	Deelkraal R0.20	93	−2	—	—	—
760	125	Doornfontein R1	220	−5	Q55c	2.2	16.2
965	330	East Drie R1	465	−5	Q75c	1.7	10.4
280	122	Elandsrand Gld. 20c	155	......	—	—	
190	44	Elsburg R1	72	−2	‡Q33.8c	1.0	‡
£16½	520	Hartebeest R1	750	......	Q190c	ϕ	18.6
695	260	Kloof Gold R1	330	−15	Q47c	1.5	9.2
760	140	Libanon R1	260	−5	Q80c	2.8	19.9
740	230	Southvaal 50c	320	−10	Q8c	1.5	1.6
245	92	Stilfontein 50c	130	−5	‡Q36c	2.2	‡
£20¼	700	Vaal Reefs 50c	850	−50	‡Q175c	2.1	‡
420	48	Venterspost R1	143	−2	Q25c	3.6	11.3
£35	£11¼	W. Drie R1	£15¾	−¼	Q335c	1.5	13.8
315	68	Western Areas R1	116	−4	‡Q52c	1.4	‡
£15¼	480	Western Deep R2	630	−10	‡Q147½c	0.6	‡
290	100	Zandpan R1	132	−2	Q31¼c	1.0	15.3

O.F.S.

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
170	60	Free State Dev. 50c	70	......	Q9c	0.6	8.3
£22½	715	F.S.Geduld 50c	925	+13	Q200c	ϕ	1.4
200	50	F.S. Saaiplaas R1	86	−12	26c	2.6	4.5
465	170	Harmony 50c	200	−25	‡Q65c	1.9	‡
195	38	Loraine R1	72	−1	Q6c	0.5	5.4
£18½	675	Pres. Brand 50c	750	−25	Q170c	ϕ	1.5
£13	395	Pres. Steyn 50c	470	−20	Q45c	ϕ	6.2
£23⅛	750	St. Helena R1	950	−25	Q170c	ϕ	11.6
174	70	Unisel	90	−8	—	—	—
330	130	Welkom 50c	130	−15	Q15c	ϕ	‡
£25½	950	W.Holdings 50c	£12⅛	−⅛	Q310c	ϕ	0.2

FINANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
535	315	Ang. Am. Coal 50c	395	......	MQ38c	2.8	6.2
375	185	Ang. Amer. 10c	217xd	+3	Q33c	1.9	9.8
£28¾	£10½	Ang. Am. Gold R1	£12½	......	‡Q260c	1.3	‡
£13¼	825	Ang-Vaal 50c	825	−25	Q105c	ϕ	8.5
199	106	Charter Cons.	107	......	6.76	2.4	9.7
220	127	Cons. Gold Fields	127	−1	7.37	ϕ	9.3
23½	13	East Rand Con. 10p	14½	−½	1.0	ϕ	10.6
330	150	Geduld Inv. R1	220	+10	Q40c	1.5	11.8
£25	£12¾	Gen. Mining R2	£13½	+¼	Q210c	2.1	10.0
£20⅝	675	Gold Fields S.A. 25c	900	+25	Q155c	1.2	11.1
£24	£11½	Jo'burg Cons. R2	£14	......	Q170c	ϕ	7.9
380	200	Middle Wit 25c	205	......	Q35c	1.2	8.8
250	160	Minorco SBD1.40	165	+5	Q2c	0.7	0.7
160	56	New Wit 50c	76	−2	Q18c	1.0	15.3
£14⅝	770	Patino NV Fls.5	£12¾	−⅛	QC65c	0.8	2.9
810	310	Rand Selection 50c	340	......	‡Q75c	1.5	‡
543	365	Selection Trust	370	+5	15.2	1.5	6.3
230	98	Sentrust 10c	126	−2	Q30c	1.4	15.4
66	33	Silvermines 2½p	33	......	Q4.61	1.6	14.7
£12½	700	T'vaal Cons.Ld.R1	925	−25	Q65c	2.0	4.5
310	110	U.C. Invest R1	120	−5	‡Q36c	1.0	‡
465	175	Union Corpn. 6.25c.	220	−5	‡Q36c	1.4	10.6
90	45	Vogels 2½c	70	+2	†Q6½c	1.2	6.0

DIAMOND AND PLATINUM

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£32½	£17½	Anglo-Am.Inv.50c	£20½	......	†Q244c	1.6	7.7
122	68	Bishopsgate Pt. 10c	78	−2	Q8.0c	ϕ	6.7
335	187	De Beers Df. 5c	192	+3	Q28c	2.2	9.4
£14	850	Do. 40pc Pf. R5	950	......	Q200c	ϕ	13.6
128	69	Lydenburg 12½c	70	−4	Q7.2c	ϕ	6.9
123	98	Rus. Plat. 10c	98	−4	gQ5c	—	3.3

CENTRAL AFRICAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
165	53	Coronation 25c	62	−2	‡Q34c	2.1	‡
130	68	Falcon Rh.50c	83	......	Q35c	ϕ	—
25	9	Rhod'n Corp. 16⅔p.	17	......	0.56	6.0	5.1
195	120	Roan Cons. K4	135	+5	—	—	—
178	140	Tanganyika 50p	166	......	Q10.0	0.8	6.0
70	65	Do. Pref. 80p	68	......	Q9	10.2	11.1
54	25	Wankie Col. Rh.1	43xd	......	Q7½c	ϕ	11.3
46	21	Zam.Cpr.SBD0.24	22	+1	—	—	—

AUSTRALIAN

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
33	18	Acmex 25c	23	......	—	—	—
323	132	A. M. and S. 50c	270	−4	ϕ†Q7c	ϕ	1.7
165	96	Bougainville 50c	110	......	Q10c	ϕ	6.0
235	142	BH South 50c	142	......	—	—	—
75	15	G.M. Kalgoorlie $1	20	......	—	—	—
106	58	Hampin Areas 5p	92	+6	1.3	3.1	2.2
86	38	Metals Ex. 50c	43	−1	—	—	—
20	12	Metramar 20c	16	......	—	—	—
294	200	M.I.M. Hldgs. 50c	207xd	−3	Q4½c	ϕ	1.4
105	40	Mount Lyell 25c	40	......	—	—	—
3	2	Newmetal 10c	2¼	+¼	—	—	—
226	158	North B. Hill $1	196	−1	Q9c	ϕ	3.0
9	5	Nth. Kalgurli	8	......	—	—	—
112	65	Oakbridge $A1	95	−4	Q9c	ϕ	6.2
36	14	Pacific Copper 25c	15	......	—	—	—
£19½	725	Pancont'l 25c	£10¼	......	—	—	—
17	9	Paringa M&Ex.5p	11	......	—	—	—
615	430	Peko-Wallsend 50c	480	−30	Q15c	ϕ	2.0
300	60	Poseidon 50c	75#	......	—	—	—
13	9	Vultan Min. 50c	9	......	—	—	—
9	4	Westmex 10c	6	......	—	—	—
*199	127	Westn. Mining 50c	168	......	Q5c	ϕ	2.0
75	36	Whim Creek 20c	57	+2	—	—	—

TINS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
45	28	Amal. Nigeria	32	......	5.62	2.6	27.0
320	160	Ayer Hitam	320	......	23.0	ϕ	11.1
31	17	Beralt Tin	26½	......	1.75	2.8	10.2
415	315	Berjuntai SM25	400	−5	QSM1.5	ϕ	8.4
18	12	Ex Lands 10p	12	......	1.0	1.7	12.8
265	155	Geevor	230	......	5.0	ϕ	3.3
14	6	Gold & Base 12½p	9	......	—	—	—
250	170	Gopeng Cons.	230	......	‡11.0	1.3	‡
80	64	Hongkong	75	......	—	—	—
70	56	Idris 10p	63	......	7.15	1.5	18.3
7½	6	Jantar 12½p	6	......	—	—	—
42	31	Kamunting 15p	38	......	‡7.0	1.2	‡
255	135	Killinghall	255	......	Q50.0	1.2	19.6
240	168	Malay Dredging	235	......	70.7	2.0	7.0
38	20	ΔPahang	27#	......	‡Qh2.6	ϕ	‡
55	40	Pengkalen 10p	50	......	‡7.0	1.5	‡
130	104	Petaling SM1	130	......	Q12½c	—	2.2
46	19	Saint Piran	35	......	1.25	2.5	5.5
100	64	South Kinta (10p)	88xd	......	7.5	0.6	13.1
200	105	Sthn. Malayan	195	......	10.7	0.9	8.5
46	31	Sungei Besi 20p	42	......	—	—	—
42	29	Sungei Way SM1	42	......	ZQ10	—	5.4
48	40	Tanjong 15p	43	......	4.0	0.9	16.6
52	40	Tongkah Hrbr. SM1	42	......	‡Q27%	0.6	13.6
110	58	Tronoh	98	−2	†4.29	2.8	6.7

COPPER

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
85	35	Botswana RST R2	47	......	—	—	—
335	160	Messina R0.50	170	+10	†Q35c	1.9	13.3

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mines 17½p.	8½	......	0.1	ϕ	2.0
*35½	15½	Charterhall 5p	18	+1	—	—	—
990	580	Cons. Murch. 10c	590	−40	†Q80c	1.8	8.9
350	245	Northgate C$1	295	−5	—	—	—
239	140	R.T.Z.	145	−1	g5.96	2.1	6.5
112	72	Sabina Inds. C$1	72	−2	—	—	—
£15⅞	£10	Tara Exptn. $1	£13⅛	+⅛	—	—	—
45	32½	Tehidy Minerals 10p	40xd	......	†h1.08	ϕ	4.2
145	84	Yukon Cons. C$1	121	−4	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. *Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.*

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ◆ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ◆ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¥ Excluding a final dividend declaration.
- ✝ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 25

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security.

FINANCIAL TIMES
Thursday October 14 1976

Pay move condemned as irresponsible

BY CHRISTIAN TYLER, LABOUR STAFF

EMPLOYERS yesterday condemned as "irresponsible" and "inflationary" the Government's decision to introduce from January 1, a measure that allows workers to claim pay rises if they are getting less than the "going rate" for their industry in their area.

Mr. Albert Booth, Employment Secretary, announced the introduction of the controversial Schedule 11 of the Employment Protection Act, along with other important provisions of the Act.

These are: a statutory system of guaranteed payments for workers laid-off or on short-time, which could benefit 2m. workers; removal of some disqualifications to social security payments for workers associated with, but not actually involved in, strikes; an increase in the eligibility of part-time workers for redundancy pay and compensation for unfair dismissal.

For many employers, the rule about the going rate has been one of the most controversial in the Act. The CBI said yesterday that it considered the Government's decision to bring it in from January 1 irresponsible.

It provided a statutory method for raising wages and was potentially "highly inflationary."

"Its implementation on January 1 may result in severe breaches being made in the anti-inflation policy," the CBI said.

The Engineering Employers Federation said that the announcement was "bordering on irresponsibility" because of the cost to firms if appeals to the Central Arbitration Committee—which will have the job of judging claims and making orders—were successful.

Schedule 11 extends to the whole of industry a principle in the 1946 Fair Wages Resolution, which covered only workers engaged in Government contract work.

Some unions, notably the Association of Scientific, Technical and Managerial Staffs, have used the resolution to secure substantial wage rises outside the limits of pay policy. But the Department of Employment said yesterday that only about 20 cases had been successful in 30 years.

The Department denies that the measure will be inflationary. The intention is to eliminate local pockets of low pay, not to provide workers with an opportunity to increase their earnings at a time of pay restraint.

Objections centre on a provision which allows claims where there is no wage agreement between unions and employers associations. In such cases the "general level" of wages for workers in comparable jobs in the same industry and in the same district would apply.

In addition workers covered by wages councils, statutory joint industrial councils, or the Agricultural Wages Boards can apply for more than their statutory minimum rates if higher rates are being paid in a "significant number of establishments."

According to the DoE, that does not mean that wages would have to rise to the district average, as the employers claim, but to the rate paid by the biggest number of employers in the area.

ASTMS said yesterday: "We will make the fullest use of this extension of opportunities available to trade unions in this sphere." But he added: "We do not consider this method of settling issues a proper substitute for general collective bargaining."

The other important measure — statutory lay-off pay — guarantees workers a day's pay, limited initially to £6 and five days in a quarter, unless his loss of work is due to industrial action by other employees of the same or an associated employer.

More pressure on Government for import curbs

BY ADRIAN HAMILTON AND ROY ROGERS

THE CBI and TUC yesterday produced their much-debated memorandum to the Government pleading for additional action to curb imports.

But almost immediately on publishing it, both sides made clear their differences over the issue.

Mr. Len Murray, the TUC general secretary, said that he "would have liked the paper to have gone much further" to urge import deposits and quotas.

The CBI, meanwhile, emphasised strongly the limited nature of its support for action on imports, arguing that the memorandum contained no more than the CBI had always urged in the way internationally acceptable action on specific items.

Initiative

The memorandum, which was clearly the subject of considerable debate between the TUC and CBI, was developed largely at the initiative of the unions.

As eventually phrased, it limits joint support of the CBI and TUC to a call for tougher action on anti-dumping, more flexible use of GATT rules to protect particularly hard-pressed industries and an EEC initiative to regularise trade with Japan.

It points out the damaging impact of imports on such industries as footwear, electronics and paper and board, but constantly reiterates the desire at least of the CBI that any action be acceptable to international opinion and international rules.

Although the memorandum was described by Mr. Murray as an "overt criticism" of Ministers, it is unlikely to upset Mr. Edmund Dell, the Trade Secretary, too much and could indeed strengthen the hand of his officials at the new GATT discussions.

The memorandum comes before a visit by the Japanese CBI to discuss trade. Both the U.K. CBI, their hosts on the visit, and the TUC, which will also be seeing the delegation, are expected to press strongly their concern with the trend of Japanese imports to Britain.

● Representatives of the consumer electronics industries were given no satisfaction by the Department of Trade yesterday when they asked for import controls against Japanese goods.

The delegation from the British Radio Equipment Manufacturers' Association asked for protection against cheap imports of black and white televisions, high-fi equipment, and the threat of undercutting in the colour television market.

However, the Department is highly sceptical of allegations of dumping of electronic goods and suggested that negotiations for voluntary restraint should be started with the Japanese on an industry to industry basis.

CBI-TUC document, Page 8
Editorial Comment, Page 20

THE LEX COLUMN

Allied's double Scotch

Allied Breweries thinks that Teacher (Distillers) is worth roughly twice what the stock market valued it at before the bid story leaked on Tuesday, which may not be as preposterous as it sounds. Teacher is unlikely to pay any tax to speak of while relief for stock appreciation continues, so its current year profits will represent a net return of nearly 20 per cent. on an £18m. investment. And Allied's financial muscle will make a big difference to the rate at which the distilling business can expect to grow, as Teacher itself recognised by initiating the takeover talks and securing the acceptance of over half the votes.

Allied is already Teacher's main customer in the U.K., and the new relationship may not make that much difference to its sales in Allied pubs: it is not going to become a "house brand." But an increasing proportion of its U.K. sales (currently about half) go to the off licence trade, where Allied has 1,000 outlets. And in the export market, which only accounts for just over two-fifths of its sales volumes, Teacher certainly has been held back by financial constraints.

Somewhat surprisingly, the bid is made up almost entirely of equity but it has little immediate impact on earnings. Teacher is being valued on a current year p/e of perhaps 11, and the bid will only increase Allied's equity by about 8 per cent.

For its part, Allied estimates that profits for the year ended in September will be not less than the previous year's £60.2m., which implies a substantial improvement in the summer months following a 16 per cent. profits decline during the strike-affected first half. The group seems to have recovered some of the market share lost as a result of the strike, while profits on

Index fell 1.7 to 291.9

wines and spirits actually increased over the year. They currently account for about two-fifths of the total, and following the acquisition there will be an overwhelming case for separate disclosure. Meanwhile the shares at 48½p look well placed relative to the rest of the sector with a yield of 11½ per cent. on the forecast dividend.

Gilt-edged

The authorities sold perhaps another £150m. of the short tap yesterday morning, so it could be that only about a quarter of the £600m. issue remains in official hands. But the market then became nervous and plagued by rumours — and prospects for a sizeable initial subscription to today's two new taps dimmed somewhat. It was, in any case, bad tactics for the Bank of England to launch the issues on the same day as the announcement of the September trade figures. There has thus been a strong temptation to wait and see.

Nevertheless over £100m. could well be subscribed for the 15¼ per cent. tap today, and useful sums could also go into the low coupon offering. No doubt the authorities are anxious to pack as much funding as possible into the October banking month which ends next Wednesday; this would allow a favourable money supply picture to be presented to the IMF investigators next month. The short tap could run out at any time. But the gilt market may not be able to absorb a great deal more stock in the very near term without looking a little tired.

Empire Stores

Empire Stores is 5 per cent. ahead at £1.65m. pre-tax for the first 28 weeks of the year to January, compared with growth of more than a fifth, on ... from Grattan and Fre... and that on a sales bas... running way ahead of ... order average. So Empire appear to be building share at the expense of ... Sales are up a fifth, ag... bers have risen an eig... Empire has been expan... catalogue—in strict con... Freemans' pruning.

In the short-term ... going to be fairly ... with profits this year ... go much higher than £4... tax, against £4.4m., wh... last year's rights i... mean practically static ... per share. But the patt... be reversed next year ... phasing in of the new ... bringing double running ... an end and the push ... delivery being consolida... 40 per cent. of agent ... This is one hope for ... pective p/e at 58p as ... lowest in the sector, yie... well covered 9 per cent.

Gerrard & National

In extremely difficult ... tions Gerrard and Natio... just about stayed profit... its first six months ... October 5, but it is a fa... that it would have s... small loss if the latest ... rise in MLR on October ... come within the period. ... theless the higher ... dividend—to reduce disp... can be taken as an ind... that the total will not ... so the yield of 11.1 per ... at 95p is safe. The big re... built up over the past ... of years are now availab... tide Gerrard over its ... patch. The company has ... the usual moves to protect ... as best it can—reducin... size of its book and short... the length to an avera... maybe 60 days. And ... stage interest rates will ... down again.

Warning of big food price rises ahead

BY JOHN EDWARDS, COMMODITIES EDITOR

A WARNING that substantial food price increases in Britain are unavoidable during next year was issued yesterday by the Consumers Association in a special report in Which?

It cites five major reasons for the rising cost of food in Britain: the gradual transition towards the full EEC levels, the drought, phasing out of food subsidies, falling value of the pound and the EEC's annual price fixing for agricultural produce.

But the report points out that the U.K. Government has control over some factors affecting food prices, notably continued resistance to any devaluation of the "green £" the device used to convert EEC farm price level into sterling.

Mr. John Silkin, the Minister of Food and Agriculture, is urged to resist pressure to bring the "green £" closer into line with the true value of the pound, and also to keep increases at the annual U.K. farm price review to a minimum.

Meanwhile Sir Richard Trehane, chairman of the Milk Marketing Board, yesterday claimed that a "green £" devaluation would help Britain by encouraging domestic production and thus saving food import cost.

See page 35

Grain aid for E. Germany

EAST BERLIN, Oct. 13.

THE Soviet Union has promised East Germany a "significant amount" of grain to counteract considerable shortages caused by the summer drought, the official ADN news agency reported to-day. Observers here said the report was the first major official reference to the problems facing East Germany as a result of the drought.

Reuter

BBC chief confirms he will retire

By Arthur Sandles

THE BBC will be considering candidates from both within and outside the corporation to replace Sir Charles Curran, the present £25,000-a-year director-general, who confirmed his decision to retire in August, 1977, yesterday. Sir Charles has been director-general since 1969.

He will remain a consultant to the BBC on international broadcasting matters and carry on as president of the European Broadcasting Union until at least the end of 1978.

Sir Charles confirmed last night that he was eager so see out the BBC's present negotiations with Government over the question of the licence fee. A new fee, long reported as being £27.50, is being sought by the corporation in order to maintain present services.

Yesterday, however, Sir Charles gave some hint that the corporation may be lowering its sights. It had "recalculated downwards" its estimates because of present levels of inflation.

However, a shortfall of £1 or £1.50 per licence in the fee received would be extremely serious. This was the sort of money spent on the provision of BBC-2. While the channel would not be dropped, the impact on programmes would be severe.

Men and Matters, Page 20

30 radicals reported held in Peking

BY COLINA MacDOUGALL

EVIDENCE that the new chairman of the Chinese Communist Party, Hua Kuo-feng, has moved further against the radical group in the leadership came yesterday with reports from Peking that more than 30 people had been arrested.

They included Chairman Mao Tse-tung's nephew, Mao Yuan-hsin, a "party cadre" from Liaoning Province, where in recent years policy has frequently seemed more radical than anywhere but Shanghai. There was no confirmation of these reports yesterday.

Reports in Peking said the radicals plotted to make Chiang Ching, widow of Chairman Mao, the new chairman of the Party.

According to this report, Chiang Ching and three other leading radicals were arrested while attending a meeting last Thursday.

The others included the Minister of Culture, senior officials of the People's Daily and Radio Peking, and top members of the Shanghai Revolutionary Committee.

The reports said they were accused of forging Chairman Mao's will.

The People's Daily said that anyone who "betrayed" or "tempered" with directives laid down by Mao was "doomed to failure," according to Peking Radio.

Diplomatic observers interpreted this as an oblique confirmation that Party leaders had been purged in the post-Mao power struggle.

Another report, quoting diplomatic sources, said Yeh Chien-ying, 78, Minister of Defence, an Army moderate, had been appointed chairman of the Standing Committee of the National People's Congress. The previous holder of this post, Chu Teh, who died in June, acted as Head of State.

Peking's two universities were reported quiet yesterday in spite of earlier accounts of troops on the campus.

● In Paris Chiao Kuan-hua, Chinese Foreign Minister, questioned after a lunch with President Valéry Giscard d'Estaing, said the situation in China after Chairman Mao's death was good. He refused comment on reports of the purge of the radicals.

Tasks facing new leader, Page 20

Continued from Page 1

Teachers angry

3—The examination system, including the 16-plus combination of GCE Ordinary levels and the Certificate of Secondary Education which the union-dominated Schools Council wants replaced with a single pattern of exams covering all levels of academic attainment.

4—The youngsters of 16-19 who fail to qualify academically for further education (which applies to nearly half of those who leave school after the minimum of 11 years of compulsory education).

In its reply, the Department says that the education profession has been tending to emphasise the preparation of pupils for "social" roles, rather than for work in the economy.

It also suggests that greater power of intervention should be given to the schools' inspectorate.

The Education Department's role in the affair was particularly resented yesterday by Mr. Fred Jarvis, general secretary of the dominant National Union of Teachers, who described the brief given to the Prime Minister as bearing all the hallmarks of the "mandarins and the inspectorate who have not hitherto been distinguished for their radicalism or their support for progresssive reforms."

The "give away" was the interest in the examination system, where the union is strongly in favour of the change to a single 16-plus, which the Department of Education and Science is understood to have advised Ministers to avoid.

Warning on sterling support

THE GOVERNMENT was warned yesterday to make sure that if more economic measures are taken to protect the pound they did not harm industry.

"And we may be sure that there is much unpleasantness still to come," said Sir Ronald McIntosh, director-general of the National Economic Development Office.

Sir Ronald told industrialists in London that it was important that future Government measures "reflect the need to strengthen manufacturing industry and do not add to its difficulties."

Sir Ronald, whose NEDO staff are working on the joint Government-union-industry strategy for the economy, said Mr. Healey's new credit squeeze would "make everyone draw in their horns."

Continued from Page 1

IMF loan may need boost

be in some sympathy with this approach.

There is no dispute that additional borrowing will be necessary in excess of the $3.9bn. IMF loan. This is because $1.6bn. of the loan will be needed to repay drawings on the central bank standby facilities up to the end of September, and Britain is running a large current account deficit which needs financing.

In London it is not thought that a request for an IMF drawing under the unquantified super-tranche provisions is practicable in the immediate future.

Borrowing by the nationalised industries in the Eurodollar markets, totalling about $2.7bn. so far this year, including the new Electricity Council loan of $500m., is seen as a tried and trusted method.

The belief in Whitehall is that there is considerable potential for additional loans. However, given the recent scale of activity, officials were yesterday keen to avoid any specific suggestion about the size of future possible borrowing which would affect current or future market prospects. There is anyway likely to be some hiatus until after the IMF loan is arranged.

Concern about these topics interlinks with the more immediate, day-to-day concentration on the state of the foreign exchange and gilt-edged markets.

The Government Broker appears to have sold about 150m. of the existing short-dated tap stock yesterday, in addition to about 250m. to 300m. last Friday.

The exception and follow-up in the nominal £1bn. of new gilt-edged stocks—for which the lists open this morning—will be crucial in determining the short-term success of the Government's intended reduction in the growth of money supply.

In the foreign exchange market, sterling has managed no net improvement in the week since the rise of two points in MLR to 15 per cent, in spite of day-to-day fluctuations. There appears to have been occasional and limited official support in this period although, dealers say it has often been difficult to detect and has probably been small in the generally thin conditions. Although the pound yesterday rose 15 points to $1.6545, the weighted average widened 0.1 points to 45.1 per cent. ahead of the publication this afternoon of the September trade figures.

Guy de Jonquieres writes from Strasburg: There is a growing belief among officials in Brussels and some other EEC capitals that Britain may need financial aid beyond the $3.9bn. which it plans to draw on the International Monetary Fund later this year to overcome its present economic difficulties.

But although the question has been discussed in general terms in the EEC Commission and elsewhere, it is understood that [illegible] been formulated for assembling a multi-lateral package to bolster the U.K.'s external finances.

Complicated

According to informed sources, the discussions have been complicated by Germany's insistence that any new aid offer should be accompanied by strict conditions, possibly laying down even more stringent limits for monetary growth and public sector borrowing than those required by the IMF.

There is disappointment in Bonn at the British Government's failure to act rapidly enough on the internal front after obtaining its $5.3bn. international short-term standby credit earlier this year. It is felt that in any future operation, U.K. authorities must be tied to meeting specific internal policy objectives.

In other quarters, including the Commission, it is feared that insistence on excessively strict terms would either make an aid offer unacceptable to the British Government or else would risk creating serious political upheavals in the country.

It is understood that informal discussions on the possibility of aiding Britain have been going on inside the German Government—which would almost certainly be the single largest participant in an EEC aid operation—since before the German elections on October 3.

In the German view, Britain's economic position is becoming so serious that unless pressures on its external finances are relieved, the Government may be faced ultimately with no choice but to adopt import controls and other measures which would risk a serious disruption of international trade.

The exact sum of money which Britain would need is still something of an open question, though according to one official in Brussels, it would have to be at least "several billion dollars" to be effective and would almost certainly be granted on more than a short-term basis.

Weather

U.K. TO-DAY

SOME RAIN in South, but brighter later. Sunny periods and showers in North.

London, S.E. England, E. Anglia, E. Midlands
Rather cloudy, rain at times. Wind E. to S.E., light. Max. 15C (59F).

Cent. S., S.W. England, W. Midlands, Channel Is., S. Wales
Rain but becoming brighter later with showers. Wind S.E., moderate. Max. 15C (59F).

E., Cent. N., N.E. England
Sunny periods, isolated showers. Wind variable, light. Max. 14C (57F).

N. Wales, N.W. England, Lakes
Sunny intervals, showers. Wind E., light. Max. 12C (54F).

Is. of Man, W. Scotland, Glasgow, Cent. Highlands, Argyll, N. Ireland
Sunny intervals, showers. Wind mainly W., light. Max. 11C (52F).

Borders, Edinburgh, Dundee, Aberdeen, Moray Firth, N.E. Scotland, Orkney, Shetland
Sunny periods, showers. Wind S., light. Max. 12C (54F).

Outlook: Sunny intervals and a few showers but rain in W. later.

Lighting-up: London 18.40, Manchester 18.46, Glasgow 18.50, Belfast 18.59.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Alexandria	C	26	79	Madrid	C	17	63
Amsterdm.	F	14	57	Manchstr.	F	12	54
Athens	F	24	75	Melbourne	C	13	55
Barcelona	S	21	70	Milan	F	16	61
Belfast	C	10	50	Montreal	S	11	52
Belgrade	S	26	79	Moscow	C	-3	27
Berlin	C	14	57	Munich	C	12	54
Birmnghm.	S	13	55	Newcastle	F	12	54
Bristol	S	13	55	New York	S	16	61
Brussels	F	15	59	Oslo	R	3	37
Budapest	F	25	77	Paris	C	15	59
B. Aires	R	18	64	Perth	S	22	72
Cairo	S	34	93	Prague	F	20	68
Cardiff	S	13	55	Reykjavik	C	5	41
Cologne	R	11	52	Rio de J'o	S	26	80
Copenhgn.	C	11	52	Rome	F	21	70
Dublin	F	11	52	Singapore	C	28	82
Edinburgh	C	12	54	Stockholm	C	6	43
Frankfurt	C	12	54	Strasbourg	R	11	52
Geneva	C	11	52	Sydney	C	17	63
Glasgow	C	10	50	Tehran	S	[illegible]	78
Helsinki	F	1	34	Tel Aviv	S	27	81
Hong Kong	S	25	77	Tokyo	C	19	67
Jo'burg	S	25	77	Toronto	S	17	63
Lisbon	F	21	70	Vienna	F	22	72
London	C	11	52	Warsaw	S	[illegible]	[illegible]
Luxemb'g	C	10	50	Zurich	C	10	50

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	C	20	68	L. Palmas	C	25	77
Algiers	C	24	75	Locarno	R	13	55
Biarritz	C	16	61	Majorca	F	22	72
Blackpool	S	14	57	Malaga	F	25	77
Bordeaux	C	16	61	Malta	F	22	72
Boulogne	C	11	52	Nairobi	S	24	75
Casablnca.	F	23	73	Naples	S	22	72
Cape Town	S	20	68	Nassau	S	28	82
Dubrovnik	C	19	66	Nice	F	19	66
Faro	C	22	72	Nicosia	S	28	82
Funchal	S	23	73	Oporto	F	20	68
Gibraltar	F	22	72	Rhodes	S	26	79
Guernsey	F	12	54	Salzburg	C	14	57
Innsbruck	C	18	64	Tangier	C	22	72
Inverness	C	11	52	Tenerife	C	19	66
I. of Man	R	12	54	Tunis	R	18	64
Istanbul	S	24	75	Valencia	F	24	75
Jersey	R	12	54	Venice	C	17	63

S—Sunny. F—Fair. C—Cloudy. R—Rain.

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